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ANDEAN PACT OFFICIAL ON INTEREST RATE INCREASE

PY290235 Madrid EFE in Spanish 0416 GMT 28 Jun 84

[Text] Lima, 27 Jun (EFE) -- Edgar Camacho, coordinator of the Andean Pact, stated on 27 June that the increase in the prime rate will force the countries of the Andean Pact to pay approximately $6 billion per year in interest alone. Camacho said that "the decision of the international banks to increase interest to the usurious rate of 13 percent per year, compels the Andean Pact to pay approximately $6 billion in interest alone without taking a single dollar off its $65-billion principal.

Camacho explained that 73 percent of this subregional foreign debt is owed to international banks and that for the most part these are short-term loans with a floating interest rate. Each additional percentage point of interest means approximately $475 million more that has to be paid.

Camacho said that "paradoxically enough, the Andean Group has become an exporter of capital. In 1983 alone, $3.9 billion left the subregion. This year, with higher interest rates, the amount will be even higher." He added: "Under these circumstances the time has come to undertake effective actions at the Latin American level to turn our countries into the leading actors of negotiations which affect them. We must make our own decisions."

He explained that the situation has been clearly stated by Latin American countries, both in Quito, at the beginning of the year, where the multiple causes of the debt and the crisis were outlined, and now at the meeting of foreign and economy ministers in Cartagena. "What we need is a formal agreement between creditors and debtors so that we can pay without sacrificing any further the standard of living of the peoples and the imbalances of the world economic system can be distributed equitably and rationally," Camacho stressed.

He said that overall exports of the Andean Group had dropped 40 percent in 1983. This decline in exports and the resulting shrinking of investments led to a 4.2-percent decrease in subregional production between 1982 and 1983, "with the ensuing social consequences of which we are all aware," he added.

He announced that the Andean Pact has called a meeting to exchange "knowledge and information concerning Latin America's foreign debt," which will be held in mid-July this year.

"We believe that feasible solutions must be brought up for negotiation as soon as possible because the matter cannot nor should be delayed or left to the devices of the bankers who always act jointly while we act individually despite the fact that our ideas and interests are similar," Camacho said.

JOURNALISTS CONFERENCE ENDS; 'FRONT' APPROVED

PA290203 Managua Radio Sandino Network in Spanish 1200 GMT 28 Jun 84

[Excerpts] The Second Conference of Latin American and Caribbean Journalists ended yesterday in Managua after 3 days of meetings. The conferees examined the continent's information policies as they affect the misinformation campaign carried out by imperialism. Commander of the Revolution Carlos Nunez Tellez closed the event.

One of the three points contained in the conference's final resolution is the creation of a democratic front to struggle against imperialism's misinformation campaign.

Some 90 journalists, members of the Latin American Journalists Federation [FELAP], the International Journalists Organization, and the Union of Nicaraguan Journalists, approved the final resolution, which was proposed by the Salvadoran delegation. The final resolution suggests that the front be divided into regional centers that will report and disseminate the truth and provide information on the Latin American and Caribbean liberation processes. The first phase would be developed in Latin America and the United States, while the second phase would create centers in Europe.

The regional centers would assemble personnel and administer funds to prepare analyses of the press and evaluate the area's misinformation centers.

The final resolution also includes a proposal that a financial and technical plan to help Central America's alternate media be established. The FELAP would determine who is to benefit from the plan.

The delegates expressed full support for Nicaragua as it faces imperialism's aggression.

GRINSPUN OPTIMISTIC ON RETURNING FROM U.S.

PY281815 Buenos Aires TELAM in Spanish 1754 GMT 28 Jun 84

[Text] Buenos Aires, 28 Jun (TELAM) -- Upon returning from the United States, Economy Minister Bernardo Grinspun this afternoon stated that a promising future lies ahead of us after 30 June, adding that he will announce the economic program in the next few days.

Grinspun arrived at Ezeiza International Airport at 1340. In New York he met with William Rhodes, chairman of the creditor banks; in Washington, with IMF Director General Jacques de Larosiere and U.S. Treasury Secretary Donald Regan.

Says IMF Negotiations Continue

PY282235 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1940 GMT 28 Jun 84

[Text] Buenos Aires, 28 Jun (NA) -- Economy Minister Bernardo Grinspun today said that the negotiations with the IMF "continue without any problems," that the letter of intent submitted to that organization "will not be changed," and that he will release a new economic program "in the next few days."

Minister Grinspun talked to journalists at the Ezeiza International Airport upon returning from the United States early this afternoon.

Regarding the meeting held with U.S. Treasury Secretary Donald Regan during which a study of the Cartagena meeting was made, Grinspun said that "obviously we also talked about how Argentina is facing the problems of the foreign debt." The minister reiterated that "we are in the midst of negotiations with the IMF," indicating that the negotiations "were never interrupted." He said that "we submitted a letter of intent and we are making progress."

He added that "Argentina is still willing to pay the interest" on the foreign debt and that "in the next few days" he will release a new economic plan. When he was asked to give details of the new plan Grinspun said: "I said in the next few days, otherwise I would be releasing it now."

Asked if it would be possible to refinance the capital, interest, and arrears in accordance with his original plan Grinspun siad that "we are not refinancing anything with the IMF, the IMF either loans or does not loan money."

When he was told that the banks and other international financial organizations want an agreement with the IMF first, Grinspun said: "The IMF will either say yes or no to our request. The foreign banks will give their own answer."

In relation to other matters, Grinspun said that "there are no plans for the arrival of a new IMF mission," emphasizing that these visits "are routine."

Regarding the announced new economic plan, Grinspun said that "the salary guidelines cannot be changed" although he admitted that "the ways to implement them can be changed." He said: "The important things for us, in other words the real salary increase, the growth rate of the economy, and the import needs to keep the level of activity in the country, are not changeable."

When he was asked if Argentina is going to pay the $280 million due on 30 June 1984, Grinspun said that "Argentina pays much more than that," indicating that he will first have to talk to President Raul Alfonsin on this matter and that he expects to give information on this issue late tonight.

He also denied that the contingencies of the national economy depend on the problems of the foreign debt. He added that "Argentina will have to conduct its policies looking beyond the problems of the foreign debt."

Regarding the punishment which could be applied to tax evaders, the minister said that "this is a matter of legislation. The necessary elements will be submitted to the Congress for approval."

In conclusion he reiterated his confidence that the letter of intent submitted to the IMF will be accepted. He said: "We did not submit a letter to be rejected. What we did was convey what Argentina can objectively do with its economy."

GOVERNMENT TO PAY OVERDUE INTEREST TO 31 MARCH

PY281939 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1905 GMT 28 Jun 84

[Excerpts] Buenos Aires, 28 Jun (NA) -- Highly reliable sources today stated that the Argentine Government will pay, probably tomorrow, its overdue interest up to 31 March 1984, which is approximately $300 million. Argentina will deposit $280 million with the U.S. Federal Reserve Bank, which will distribute the money based on the agreement signed with the work committee of the 11 main creditors.

A few days ago, Argentina paid $87 million in overdue interest up to 24 January 1984, and with the additional $280 million it will pay now, it will settle its accounts up to 31 March 1984.

The amount Argentina had to pay tomorrow was in principle a little over $300 million, but the Argentine negotiators were able to reduce the original amount to $280 million by eliminating leasings [in English] and other items that were not strictly interest.

It is worthwhile to note that the government soures consulted indicated that there had been an error in the report to the effect that Argentina had deposited an additional $100 million for its creditor banks while the Latin American debtor countries were meeting in Cartagena last week. The source said that it was the same $87 million that were left from the 31 March rescue operation through which Argentina obtained $500 million ($300 million from four Latin American countries, $100 million from the 11 creditor banks, and $100 from the Argentine treasury [as received] to pay interest up to 31 December 1983. The U.S. Federal Reserve Bank kept the $87 million, which has been used to pay interest up to 24 March. With the $280 million that will be paid tomorrow, the total amount paid thus far will amount to approximately $370 million.

CORRECTION TO ALFONSIN ADDRESS TO NATION

The following correction pertains to the item headlined "Alfonsin Addresses Nation on Economic Situation," published in the 28 June Latin American DAILY REPORT, page B 1, first paragraph, line one:

[Text] Allow me tonight... (changing processing indicator from "excerpt" to "text")

Page B 6, fourth paragraph from line three:

...with the government. [new paragraph] To live in a democracy entails much more than merely attending the periodic election of authorities in an orderly manner and, without making any greater effort, passively awaiting the results of the elections that we may then term as unfair. To live in a democracy demands the maturity to be able to admit that the authorities have limitations and to accept the fact that those limitations are nothing but the product or prejudice of our society.

To live in a democracy demands the possibility of admitting that the Argentina of today is the result of the actions and neglect of all its citizens and that the welfare that is desired for the future can only be achieved through the joint efforts of all its citizens. To live in a democracy means seeking that objective from our workshop, laboratory, office, or factory, from modest and daily work, convinced that this is the only path that may keep us on a solid path, away from the shortcuts we may be tempted to take, driven by passions, by the prospects of finding instant solutions, by the enlightened, or by the prophets that advocate miracles.

To live in a democracy entails moderation in order to pass a fair judgment on our fellow countrymen, who are our partners in our small enterprises, and to be able to enjoy these relationships.

To live in a democracy means to be aware that the national being is nothing but the summation of all these efforts, that these efforts have a decisive influence on each other, and that their success or failure are our only guidance in our task of building a civilized nation.

In conclusion, friends, to live in a democracy means to perform each action in strict compliance with the ethical rules and principles that every one has accepted and not to be driven by our own whims or opportunistic interests. To live in a democracy means that slavery or the forced adoption of homogeneous patterns -- which bases motivation and discipline on force and obedience -- are the alternatives to social coexistence.

To live in a democracy means to get up every day feeling the importance and significance of our activities for our own welfare and for the welfare of society, without fearing that a whim of the dictator might frustrate our plans for that day.

To live in a democracy means to intimately enjoy the pleasure of respecting others and of being respected by others, in a reciprocal play of civic courtesy, which marks the difference between civilization and barbarianism.

I ask you ... (supplying omitted passage)

FEDERAL COURT DENIED JURISDICTION IN JUNTA CASE

PY290246 Buenos Aires TELAM in Spanish 1702 GMT 28 Jun 84

[Text] Buenos Aires, 28 Jun (TELAM) -- Court sources reported on 28 June that Criminal and Corrections Federal Judge Amelia Berraz de Vidal has ruled that the federal court has no jurisdiction over the suit for rebellion filed against the members of the first military junta for the ouster of former President Maria Estela Martinez de Peron in March 1976. The judge ordered that the case be relayed to the Armed Forces Supreme Council.

State Prosecutor Alberto Piotti has appealed the ruling and stated that in his opinion it is up to the federal court to judge the behavior of the former military commanders who overthrew President Maria Estela Martinez de Peron in March 1976.

EX-PRESIDENT ARRESTED; BIGNONE PETITION GRANTED

WA231210 Rome IPS in English 23 Jun 84

[Text] Buenos Aires, June 23 (IPS) -- Former military President Roberto Viola has been placed under house arrest, pending a court appearance today on charges related to the disappearance of an opposition activist in 1979. Federal Judge Luis Angel Cordova today ordered retired Lt. Gen. Viola's detention, apparently to ensure that the former military junta chief will appear before him June 25.

Other former military leaders ordered to face charges of human rights violations during their time in power have failed to obey the court orders promptly. Former First Army Corps Commander Gen. Carlos Suarez Mason fled abroad when he was ordered to appear before a judge, and has since been stripped of his rank by a military tribunal.

Viola is being charged in connection with the 1979 disappearance of Luis Giorgi, an official at the national industrial technology institute. When he was commander in chief of the Army, Viola issued a directive ordering "direct military action" for "the detention and/or elimination of Marxist elements."

The three members of the military junta which seized power in a 1976 coup -- Gen Jorge Videla, Admiral Emilio Massera, and Air Force Brigadier Orlando Agosti -- have also been detained in connection with the same case.

After appearing before Judge Cordova today, Viola is expected to be detained in a military barracks. None of the former military chiefs are being held in common jails.

Meanwhile, the Supreme Court has granted former President Gen. Reynaldo Bignone's petition that he be tried by a military tribunal on charges related to the disappearance of three soldiers while he headed the country's military college in 1976. Bignone's defense lawyers had argued that Bignone was not subject to civil jurisdiction, since the crime of which he is accused was allegedly committed while he was a serving officer. Human rights activists have been demanding that former military leaders should be tried by civilian courts, not military tribunals.

Under reforms to the Penal Code passed by Congress recently, all military tribunal judgements can be appealed later to a civil court.

Bignone Released

PY281754 Buenos Aires TELAM in Spanish 1608 GMT 28 Jun 84

[Text] Buenos Aires, 27 Jun (TELAM) -- The general secretary of the Armed Forces Supreme Council, Colonel Jorge Gonzalez Ramirez, has reported that former President Reynaldo Bignone was released at noon today after being questioned about the case involving the disappearance of two conscripts who were on military service at the military school when Bignone was director. Bignone, however, remains at the disposal of the Armed Forces Supreme Council.

Col Ramirez said that the case folder was sent to the Armed Forces Supreme Council last week by a civil court.

TWO OIL TANKERS EXPLODE IN BUENOS AIRES PORT

PY290102 Buenos Aires TELAM in Spanish 0025 GMT 29 Jun 84

[Text] Buenos Aires, 28 Jun (TELAM) -- The fuel tanks of two tankers, presumably the Perito Moreno and the Belgrano, which are tied up at the port's south dock at DiBenedetti and Ingeniero Huorgo Streets, blew up this evening at 1915 [2215 GMT] provoking a Dantesque spectacle with flames 30 meters high.

A total of four blocks surrounding the dock where the fire started have been evacuated and electricity has been cut off as a preventive measure. The police have closed the Nicolas Avellaneda Bridge to traffic in order to allow the passage of the fire trucks that have been sent to put the fire out. Meanwhile, at 2115 [0015 GMT], 2 hours after the fire started, the director of the Fiorito Hospital of Avellaneda has called in all personnel that were on leave.

Just after the fire started, firemen from the fire fighting service reported that the explosion had occurred at the Shell refinery. This report was denied later when it was confirmed that the fire had originated in the fuel tanks of the two vessels.

Commando Claims Credit

PY290117 Buenos Aires DYN in Spanish 0101 GMT 29 Jun 84

[Text] Buenos Aires, 28 Jun (DYN) -- A so-called Sargento Cisneros Commando tonight claimed credit for blowing up the "two Shell vessels," because the enterprise "collaborated with the British during the Malvinas war." An anonymous phone caller made this announcement to DYN and also said that the attack "was carried out because of the presence of British parliamentarians in Argentina and also to let them know what they can expect if they do not start negotiating the return of the islands to our country."

The first reports indicated that the first ship that was set on fire tonight at the south dock belongs to Shell, but afterward it was reported that it was the Perito Moreno, which belongs to Government Oil Deposits.

YFP President Denies Sabotage

PY291245 Buenos Aires TELAM in Spanish 1216 GMT 29 Jun 84

[Text] Buenos Aires, 29 Jun (TELAM) -- Hector Fiorioli, president of the Government Oil Deposits [YFP], has dismissed the possibility that the explosion that was followed by a fire last night in the tanker Perito Moreno was the result of an act of sabotage. He stated that it was just a fatal accident.

Fiorioli also told TELAM that as soon as it is determined how many persons were killed and what material damages were caused an official communique will be released to inform the public of what happened at the south dock last night.

10 Crew Members Missing

PY290350 Buenos Aires TELAM in Spanish 0326 GMT 29 Jun 84

[Text] Buenos Aires, 28 Jun (TELAM) -- As the fight against the fire in the Perito Moreno tanker continues at midnight, reliable reports point out that only after the ambulances can get closer to the fire can its seriousness be known. According to the testimony of the ship's crew who were able to flee to safety, there may be approximately 10 missing crew members.

It was reported that four people were hospitalized in the Pedro Fiorito Hospital as a result of the explosion in the tanker of the Government Oil Deposits (YPF). They include Jose Torres, 27, living at 850 Manzana Street in Burzacco; Raul Florencio Galeano, 25, of 461 Mitre Street in Paso de los Libres, Correientes; and Rodolfo Dagnino, 38, of 1597 Calloa Street, Tigre. They are all crew members of the tanker. Silvio Nestor Fernandez was also hospitalized but no personal background was given.

It was reported that the Cosme Argerich Hospital treated approximately 20 people who then left the hospital around 2100. When asked whether anyone hurt in the fire was treated in this hospital the hospital officials said they were not authorized to give out this information.

Doctor Nelson Monco, deputy director of the Fiorito Hospital, said tonight that the fire in the south dock is a real catastrophe and that the ambulances cannot get close enough to carry out a rescue operation due to the intensity of the fire. He stated that the situation at the hospital is under control. All personnel are in a state of readiness but the most relevant event is going to take place shortly when the ambulances are allowed through; then we will find a real catastrophe, the physician said.

YPF President Hector Fiorioli, who made the initial decision to determine the crew members who were aboard and the number of missing persons, showed up at the site.

The ship which is on fire moored at midnight on 28 June and immediately started to unload 12,000 cubic meters of crude oil from Tierra del Fuego. At the time of the blast 4,000 cubic meters of crude oil had been unloaded, thus 8,000 cubic meters of crude oil were burned. The bridge of the Perito Moreno, which weighs 2 tons, landed over 50 meters from the ship at the time of the blast when some crewmen were engaged in repairing boilers. The blast's shock wave apparently affected some 10 homes in the area. The shattered window glass injured at least five persons. A ship moored near the Perito Moreno, the Cabo Corrientes, which evidently had its stern on fire, cast off and is secure.

A blackout is affecting a large area adjacent to the port, while 30 crews of the Buenos Aires firemen and the Buenos Aires Province firefighters, along with patrol boats from the National River Police, are struggling to put out the fire.

PAZ ZAMORA CORRECTS SPANISH PAPER'S REPORT

PY281706 La Paz Cadena Panamericana in Spanish 1130 GMT 28 Jun 84

[Excerpt] Sectors of some of the political parties belonging to the governing front were engaged in the task of organizing illegal armed groups in Bolivia. It is the president of the Republic's prerogative to replace the High Command. General Simon Sejas Tordoya has never been at the service of international communism; quite the contrary, he is playing an important role in restoring democracy in Bolivia. These are some of the noteworthy statements Vice President Jaime Paz Zamora made during a press conference with international correspondents in Madrid, Spain, yesterday. The following is the text of an EFE press agency report we received:

Madrid -- Bolivian Vice President Jaimez Paz Zamora yesterday corrected the reports published by a Madrid newspaper, and said that it is the president of the Republic's prerogative to replace the high command. During a press conference in Madrid, Paz Zamora rectified the report published by the Madrid newspaper EL PAIS, from which it was deduced that he opposes General Sejas Tordoya's replacement. He also rejected the statements that General Sejas is at the service of international communism, pointing out the important role Sejas is playing in the return to democracy. Referring to the armed groups, allegedly formed by the Bolivian Government, Paz Zamora asserted that some sectors of some party that belongs to the governing front were involved in forming the groups.

COB ISSUES RESOLUTIONS, THREATENS STRIKE

PY281604 La Paz Cadena Panamericana in Spanish 1130 GMT 28 Jun 84

[Text] During a meeting of national leaders yesterday the Bolivian Labor Federation [COB] declared itself ready to strike as of Sunday if the government fails to meet the workers various requests. The COB also decided to suspend the protest marches scheduled for today, Thursday, and therefore there will not be any demonstrations in the country. A high-ranking COB leader, Armando Morales Comez, released the following COB resolutions:

[Begin Morales recording] The following are the resolutions the COB national leaders adopted during the meeting:

The COB hereby informs Bolivian workers and citizens that it has adopted the following resolutions:

1. To demand that the government sign the agreements reached previously with the COB and immediately solve the problems regarding salaries, prices, and staples supplies;

2. To suspend demonstrations and protest marches scheduled for Thursday, 28 June;

3. To declare that it is ready to strike on Sunday, 30 June, if the government does not fulfill (?the agreements) by then. Should the government fail to do so, the COB will decree a general strike as of 0000 Monday, 2 July 1984;

4. We, the workers, are ready for action against the coup attempts, of which the Bolivian people are aware and which started the in the Cochabamba Army Command and General Staff School. We urge the Armed Forces officers who support the democratic cause to join the Bolivian people to quash the counterrevolutionary uprising.

Signed by the COB Executive Board on 27 June 1984 [end recording]

LECHIN ON COCHABAMBA ISSUE, GOVERNMENT TALKS

PY281946 La Paz Cadena Panamericana in Spanish 1700 GMT 28 Jun 84

[Excerpt] Panamericana has obtained an exclusive interview with Juan Lechin Qquendo, the main leader of the Bolivian Labor Federation [COB], who is in a hospital -- the address of which was not revealed for security reasons -- where he is receiving medical treatment. It is quite possible that he will be allowed to return home this weekend.

[Begin Lechin recording] We want to point out that the sabre-rattling, if there has been any sabre-rattling at all in the Cochabamba issue, happened long before the COB measures were adopted. This means that before the measures were adopted, there already was sabre-rattling, which does not worry me. [Passage indistinct] [end recording]

Lechin stated that the argument about sabre-rattling will not intimidate the COB into refraining from implementing its plan to exert pressure on the government on 2 July.

To end this report we will note a few more remarks Lechin made. He said that the COB has no more faith in the government and that the general strike is a victory of the government, which managed to prevent the implementation of the emergency measures proposed by the COB.

Lechin said that he will not hold any more talks with the Democratic and Popular Unity regime. The COB congress will have to decide whether those linked with the government will continue as members of the main workers union or whether they will have to leave.

COB OFFICIAL CHARGES GOVERNMENT PROMOTING COUP

PY281842 La Paz Cadena Panamericana in Spanish 1700 GMT 28 Jun 84

[Excerpt] A coup is being promoted within the government itself because of the inconsistency prevailing within the ruling party. This categorical statement was made by Arnaldo Morales Nunez, a leader of the Bolivian Labor Federation [COB], who has reportedly become the virtual authorized spokesman for the main labor union since he has no ties with the government. Morales Gomez stated that emergency services will not be suspended if the COB starts an indefinite general strike on 2 July.

ARMY UNITS SUPPORT MILITARY SCHOOL'S DEMANDS

PY281334 La Paz Cadena Panamericana in Spanish 1130 GMT 28 Jun 84

[Excerpts] The movement by the Mariscal Andres de Santa Cruz Army Command and General Staff School is being supported by several military units in the country, according to authorized spokesmen at the school. The school's demand for the replacement of Army Commander General Simon Sejas Tordoya is supported by the 10th Army Division based in Tupija, the 2d Army Division based in Cochabamba, the 5th Army Division based in Robore, the 4th Army Division based in Camiri, as well as by the Yacuma, Villa Montes, and other divisions.

The information provided to Panamericana by authorities at the military school indicates that during a meeting held with a high-ranking commission of the Armed Forces they emphasized their demand that Army Commander General Simon Sejas Tordoya request his immediate replacement in order to prevent greater military unrest. The high-ranking commission is made up of General Octavio Villavicencio and General Walter Antezana, who went to Cochabamba yesterday to listen to the demands of the military school directors, professors, and students. Our sources, in answering a question, disclosed that the 8th Army Division, based in Santa Cruz de la Sierra and headed by General Gary Prado Salmon has not made any statement yet on the issue. The negotiations held by the Armed Forces commission and authorities of the Cochabamba military school lasted 5 hours, but no agreement was reached.

SILES, HIGH COMMAND DISCUSS COCHABAMBA SITUATION

PY281855 La Paz Cadena Panamericana in Spanish 1700 GMT 28 Jun 84

[Text] President Hernan Siles Zuazo and members of the High Military Command have discussed the situation in Cochabamba caused by the Mariscal Santa Cruz Army Command and General Staff College's request for the replacement of Army Commander General Simon Sejas Tordoya. The meeting was held at the San Jorge presidential residence, but no information on the subjects discussed or the decisions reached have been disclosed. According to authorities of the Mariscal Andres de Santa Cruz Army Command and General Staff School, the request made by this institution is supported by several Bolivian military garrisons. Authorized government spokesmen stated that a definite solution to the military problem will be disclosed in the next few hours but refrained from giving any further details.

UDP SUPPORTS SILES; ARMY CRISIS SAID NEAR SOLUTION

PY281814 La Paz Cadena Panamericana in Spanish 1700 GMT 28 Jun 84

[Text] The Executive Board of the Democratic and Popular Unity [UDP] has voiced its full support of President Hernan Siles Zuazo in view of the Bolivian Labor Federation's [COB] threat to declare a general indefinite strike. This was stated to Panamericana by Oscar Eid Franco, the leader of the Movement of the Revolutionary Left and a member of the UDP leadership. Eid Franco said that the UDP Executive Board has met to discuss the political situation as a result of the COB threat to declare a general stoppage next Monday. He also said that it was decided to give full support to the chief of state. He added that a solution to the military crisis that originated in the Cochabamba Army Command and General Staff School will be made public in the next few hours.

COB CONDEMNS COCHABAMBA SCHOOL 'UPRISING'

PY290148 La Paz Cadena Paramericana in Spanish 0000 GMT 29 Jun 84

[Text] The Bolivian Labor Federation [COB] has released a declaration in view of reports that a coup is allegedly being prepared, using the problem in Cochabamba as the basis.

The first point of the COB document says: The Cochabamba military uprising, due to its demands which violate military regulations, is without any doubt the beginning of a coup which was being prepared by fascist drug traffickers to put an end to the democratic process, a process which was won by the Bolivian people's sacrifices.

Therefore, the declaration states that the COB condemns this military uprising and calls all workers from the cities and the countryside to confront the coup if necessary. The document adds that in order to defend the interests of the Bolivian people, the COB demands that the president, by using his constitutional rights, order a solution to the problem in the Command and General Staff School, and establish severe sanctions for the officers involved in the insubordination.

In conclusion, the COB declaration says that the strike planned to demand that economic promises be implemented can be transformed into a strike rejecting the coup from wherever it comes.

[Paris AFP in Spanish at 0011 GMT on 29 June reports that the military conflict in Cochabamba became more complex today when the Army Command was not able to replace General Guillermo Velez Salmon, commander of the Command and General Staff School].

INTERIOR MINISTER COMMENTS ON CURRENT SITUATION

PY290252 La Paz Cadena Panamericana in Spanish 0000 GMT 29 Jun 84

[Text] Interior Minister Federico Alvarez Plata did not want to discuss the problem created by the Cochabamba Mariscal Andres de Santa Cruz Command and General Staff School regarding its request to remove Army Commander General Simon Sejas Tordoya.

The minister labeled this as a problem of discipline. He added that this problem has not yet been resolved despite the negotiations carried out. During a conversation with the press Federico Alvarez Plata said:

[Begin recording] [Alvarez] I cannot judge or analyze this event because it is not under my jurisdiction. It is up to the Armed Forces to resolve this problem.

[Unidentified reporter] Has this event in Cochabamba created some tension in the administration of the country?

[Alvarez] Of course, this is a serious event which naturally affects the tranquillity of the country.

[Reporter] Is Under Secretary of the Interior Sanchez still in Cochabamba?

[Alvarez] Yes, but not in relation to this event. He went on leave because of family problems before this problem began.

[Reporter] Has your intelligence organization detected any subversive outbreak in Bolivian territory?

[Alvarez] [Words indistinct] in possession of information watching closely these events. [end recording]

The minister said that there is tranquillity in the country except for the current military problem which has created concern among the people. The minister made these remarks upon leaving the Government Palace after meeting with President Hernan Siles Zuazo this afternoon.

FOREIGN MINISTRY NOTE ON INTEREST RATE HIKE

PY290256 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jun 84 p 21

["Text" of Foreign Ministry "official note" issued in Brasilia on 26 June]

[Text] After consulting with the finance minister and the planning minister, the minister of foreign relations has decided to release the following note:

We deeply regret the 1/2-point increase in the prime rate announced by some U.S. private banks yesterday.

The increase in international interest rates at this moment worsens the situation of developing countries which are already heavily burdened because of the world economic recession, and it undermines the effort that these countries are making to readjust their economies, to stabilize their balance of payments, and to overcome the crisis.

We hope the U.S. authorities and the banks themselves will conscientiously ponder the highly negative effects of this measure on the economies of these countries, and will consequently adopt measures to revered this situation and to prevent its repetition.

Acting with remarkable objectivity and serenity in treating such a delicate matter at the Cartagena summit, the governments of 11 Latin American countries made an appeal to joint responsibility in the management of the foreign debt problem. Consequently, the Latin American countries submitted a well-balanced set of proposals to decrease interest rates, as well as to start political talks between the governments of debtor and creditor countries so as to find adequate and lasting solutions to the foreign debt problem.

We reiterate this appeal for talks. In the meantime, we are consulting with the other countries that participated in the Cartagena summit.

Bank on Effects of Increase

PY281420 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 28 Jun 84

[Text] The Central Bank has reported in Brasilia that the interest hike decreed by U.S. banks will not have much effect on Brazil for the medium and long term. Our debt profile is the following: 69 percent is tied to European interest rates; 25 percent pays a fixed 9 percent annual rate; and only 6 percent follows prime rate fluctuations. European banks have thus far refused to adopt U.S. rates. However, the single 1/2-percent increase will represent an additional $300 million payment; this will be an actual confiscation of our exports.

LEITAO DE ABREU'S RESIGNATION SAID POSSIBLE

PY281542 Sao Paulo Radio Bandeirantes in Portuguese 1506 GMT 28 Jun 84

[Excerpt] Bandeirantes is again reporting from the Planalto Palace. This has been a very busy morning here at government palace.

After meeting with his advisers, Leitao de Abreu, Otavio Medeiros and Ruben Ludwig, President Figueiredo met with the Social Democratic Party [PDS] senator from Bahia, Luis viana Filho, the former Congress president and former chief of the civilian cabinet during the Castelo Branco government.

The presence of Senator Luis Viana Filho, who also met with Leitao de Abreu, was immediately associated with rumors that have been circulating in Brasilia since early this morning that indicate that Minister Leitao de Abreu may submit his resignation since he is responsible for drafting the government amendment providing for direct presidential elections which President Figueiredo withdrew from Congress today.

Nevetheless, after his meeting with Leitao de Abreu, Senator Luis Viana Filho said nothing of the sort is happening.

ENGESA DENIES WEAPONS SOLD TO IRAN VIA 3D PARTIES

PY281442 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 21 Jun 84 p 2

[By Roberto Godoy]

[Text] The directors of Specialized Engineers, Inc. [Engesa] yesterday "categorically" denied that third-party operations are being conducted between Brazilian weapons manufacturers and foreign trading agents to sell war materiel to Iran. The same sources said "operations of this type are forbidden by the Brazilian Government, which oversees and approves all legal sales."

According to these businessmen, war materiel exports "are like a train engine that pulls other businesses abroad, and is, therefore, strategically important for any country engaged in a growing export policy." Thus, the experts feel that the traditional manufacturers of military equipment, such as the Soviets, the North Americans, and the Europeans, do not favorably view the emerging Brazilian military industry, which is the object of continuous attacks from competitors. "One of the weapons which that group handles very well is intrigue, trying to promote a campaign to discredit our sector," the Engesa directors stated.

In the specific case of the Iran-Iraq war, this strategy has become "very clear," they stated, adding that the Iraqi Government is an old client, "whose purchases are in the interest of all manufacturers of defensive equipment throughout the world." In Rio de Janeiro, Iraqi Oil Minister Taqi has told reporters that reports on the possible use of Brazilian weapons by Iran cannot upset "the traditional relationship between the two nations."

GOVERNMENT THREATENS TO WITHDRAW AMEMDMENT

PY281310 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 28 Jun 84

[Excerpts] The government has issued an ultimatum giving the opposition one night to make a decision. If the opposition insists in its struggle for the immediate restoration of the direct balloting system, the Figueiredo amendment will be withdrawn from Congress this morning.

Our correspondent has filed this report:

Wednesday was a very tense day for Congress. Yesterday the atmosphere was confused, uncertain, and insecure. Taking into account that the amendment to restore the direct elections system could be approved by the Chamber of Deputies, the Social Democratic Party [PDS] leadership became increasingly inclined to withdraw its amendment from Congress. In fact, since nine PDS senators had decided to support the opposition amendment, the situation could become too risky for the ruling party. Talks, negotiations, and threats continued until 1800, when Deputy Nelson Marchezan announced that the vote would be delayed until 1000 today.

Solution Sought

PY281405 Sao Paulo Radio Bandeirantes in Portuguese 1340 GMT 28 Jun 84

[Excerpt] This is a report from Brasilia. The meeting between Congress President Moacyr Dalla and the opposition leaders has ended. Social Democratic Party [PDS] Acting President Amaral Peixoto, Nelson Marchezan, and Aloisio Chaves have left for the Presidential Palace.

The last-minute news is the following: They are going to the Presidential Palace to try and seek a solution to the Figueiredo amendment issue, that is, the government may again submit the amendment to Congress but not include Article 183, providing for the holding of direct presidential elections.

This may be a solution, there may be an agreement, and if this is the case, the amendment will then be ready to return to Congress for discussion and a vote, but without Article 183, which provides for the holding of direct presidential elections.

Congress To Hold Sessions

PY281721 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 28 Jun 84

[By Carlos Rodriguez]

[Excerpts] The Brazilian Government has withdrawn from Congress its amendment restoring direct presidential elections for 1988 because of the alleged insistence of the opposition parties to hold direct presidential elections immediately.

We must say that at present there is much expectation in Brasilia. The political party leaders are scheduled to meet here in Congress at 1430 to evaluate the situation and possible solutions to the impasse.

It must be noted that if the government amendment is not voted on, the presidential succession, at least for the time being, will follow the regulations established in the Constitution currently in force. Those establish that indirect elections will be held through the Electoral College on 15 January 1985 for a 6-year term. But before then many things may happen; there may even be voting on new proposals for the holding of direct presidential elections during the second half of the year or a different alternative may be studied.

The following is a report from Congress by (Jose Marques):

We are reporting from Congress, where the Chamber of Deputies and the Senate have just started their afternoon sessions. These are separate sessions that were called earlier this morning (?after) the events that ended with the withdrawal of the government amendment from Congress.

Moreover, Nelson Marchesan, the Social Democratic Party [PDS] leader in the Chamber of Deputies, Deputy Freitas Nobre, the Brazilian Democratic Movement Party leader; and Aloisio Chaves, the PDS leader in the Senate, held a meeting this afternoon at 1400 and a new meeting is scheduled for later in the day. At this meeting the party leaders will have to adopt a position.

Right now, with very few deputies present, the people are expecting the session at 1530 to be very agitated. During this session, the deputies will evaluate the situation caused by the withdrawal of the government amendment.

Deputies Slam Decision

PY290133 Porto Alegre Radio Guaba in Portuguese 2150 GMT 28 Jun 84

[Text] Porto Alegre -- Five deputies took the floor of the legislative assembly this afternoon to refer to President Figueiredo's decision to withdraw his amendment proposal from Congress.

Democratic Labor Party leader (Pautorino) Lima stated that with this attitude the government has begun a period of confrontation, and recommended that the opposition be more responsible since there is very little time left to decide on a subject so important as the presidential succession issue.

Deputy [name indistinct] of the Brazilian Democratic Mobilization Party was more categorical in his statement. He accused the government of trying to create a tumultuous situation in the country because by creating a political crisis it will have an opportunity to prepare a coup d'etat.

Social Democratic Party [PDS] Deputy Porfirio Peixoto stated that Brazilian history will never have another government so incompetent and disastrous as this one. PDS Deputy Erico Pegoraro stated that the withdrawal of the amendment proposal was bad for both the government and the opposition, and that the real winners are those who want a harder line from the regime.

Figueiredo Withdraws Amendments

PY290120 Brasilia Domestic Service in Portuguese 2200 GMT 28 Jun 84

[Text] The Press Secretariat of the Presidency today released the text of President Joao Figueiredo's message to Senate President Maocyr Dallas justifying the withdrawal of the proposal for constitutional amendments which was submitted to Congress on 16 April 1984. In his message, President Figueiredo claims that he was forced to adopt this decision because developments have shown that the proponents of direct elections, ignoring the purpose of the proposal, want to take advantage of this opportunity for the immediate reinstatement of that election method.

This attitude intends to transform the political proposal I submitted to Congress into an instrument which contradicts a fundamental point of this proposal, the president says. He then adds that he cannot allow this flagrant departure from the objective of the proposal nor can he permist such a response to the proposal for understanding [words indistinct].

The president also notes (?the intransigence) of the opposition toward this attempt at improving the institutions, which constitutes for him a profound disappointment. He deplores not to have found in the adversaries of the government the understanding which he believes he deserves. I am thus forced to withdraw, under the regulations of Congress, the proposal for constitutional amendments [words indistinct] of 1984 into which the message I sent to Congress was transformed, the President says in closing.

500,000 BARRELS OF PETROLEUM TO BE PRODUCED DAILY

PY290250 Brasilia Domestic Service in Portuguese 2200 GMT 28 Jun 84

[Excerpt] Beginning tomorrow Brazil will produce 500,000 barrels of petroleum a day, thus saving $7 billion this year. This statement was made today in Salvador by Mines and Energy Minister Cesar Cals who opened the fourth Mines and Energy Ministry meeting.

Cals stated that the government objective is to continue with this pace to reach self-sufficiency in petroleum production by 1993. He said that expenditures in petroleum imports this year must reach approximately $5 billion, and added that Brazil is in a privileged position as compared to other consumers. Only 20 percent of the petroleum we import comes through the Strait of Hormuz, and in case of war the quota can be covered by other suppliers, thus preventing a collapse in domestic supply, he stated.

FOREIGN MINISTRY DEPLORES INTEREST RATE HIKE

PY281829 Paris AFP in Spanish 0022 GMT 28 Jun 84

[Text] Santiago, 27 Jun (AFP) -- The military Government of Chile today called upon the governments of creditor countries to urgently solve the problem of the high interest rates which are affecting Latin America's foreign debt. The Chilean Foreign Ministry deplored the new interest hike decreed by the U.S. banks, which will further aggravate the region's serious socioeconomic situation. ECLA has reported that the prime rate hike announced on 27 June will mean a $1.75-billion increase in Latin America' foreign debt. In a communique, the Foreign Ministry pointed out that the world and the region have witnessed the great efforts that Chile has undertaken to adjust its economy to the international recession. The communique calls upon creditor countries to take appropriate steps to urgently solve the high interest rates which are affecting Latin America's foreign debt. According to ECLA, the region's total debt is $350 billion, and the accumulated 2 percent interest hike of the last 4 months, which pushed interest rates up to 13 percent, has caused the debt to grow by $7 billion. In the Chilean case, each 1/2-percent increase causes the debt to grow by $90 million.

APPELLATE COURT RULES AGAINST SEGUEL'S DISMISSAL

PY290249 Madrid EFE in Spanish 2119 GMT 28 Jun 84

[Text] Rancagua, 28 Jun (EFE) -- The Rancagua Appellate Court on 28 June voted two to one against the ruling of the first court which confirmed Rodolfo Seguel's dismissal from the state-owned Copper Corporation. The court of appeals ruled that Rodolfo Seguel has not been fired and must, therefore, show up for work within the next 3 days. Seguel, who is president of the National Workers Command and the Chilean Copper Workers Confederation, was fired in July 1983 when the company notified him in prison that his contract had been cancelled. Sequel was arrested on an Interior Ministry charge of having instigated the first two national protest days.

MDP DEMONSTRATION DEMANDS RELEASE OF EXILES

PY280306 Madrid EFE in Spanish 0210 GMT 28 Jun 84

[Text] Santiago, Chile, 27 Jun (EFE) -- A total of 40 persons were arrested tonight when Chilean Carabineros broke up a demonstration that the Popular Democratic Movement (MDP) was carrying out in the downtown streets of this capital. According to Radio Chilean, Eduardo Gutierrez, one of the advisers of the MDP leftist coalition, is among the persons that have been detained.

The demonstration was organized by the MDP to demand the freedom of Jaime Insunza, the organization's former secretary general, and of Leopoldo Ortega, a member of the Chilean Human Rights Commission, who were arrested on orders of the government when they returned from exile on 23 June. Both men returned after a court decision that had annulled an order that sent them into exile on 7 April.

Exiles Freed

PY281758 Madrid EFE in Spanish 1448 GMT 28 Jun 84

[Excerpt] Santiago, 28 Jun (EFE) — Jaime Insunza, secretary of the Popular Democratic Movement, and Leopoldo Ortega, a doctor of the Chilean Human Rights Commission, were released today by the Interior Ministry.

REPORTAGE ON BOMB ATTACKS, OTHER VIOLENCE

Buses Set Afire

PY271904 Santiago Domestic Service in Spanish 1730 GMT 27 Jun 84

[Summary] "Subversives have carried out a number of attacks against buses." These violent actions and "the placing of five bombs throughout the Santiago metropolitan area mobilized police and security agents."

"As of 0330, groups of unidentified persons carried out violent actions in the Maipu community. At 0330, a bus, with license tags HCR-1408 on the [name indistinct] route driven by (?Julio Pizarro Nieves), was intercepted by two unidentified persons at the intersection of [name indistinct] and Echeverria Avenue. After forcing the driver to get off the bus, the subversives set it on fire.

"Later, at the intersection of 5 April and Manuel Rodriguez Streets, a bus on the Cerrillos-Villa Olimpica route, was set on fire at 0705. The bus with license tag [number indistinct] driven by (Miguel Bustamente) was destroyed [passage indistinct].

"At 0715 today, three unidentified subversives, who were on board a Villa Olimpica-Cerrillos bus, with license tags CA-1015, driven by (Gilberto Ollarzun), exploded a bomb that caused damage to the bus. It was reported that there were no injured persons in any of these attacks."

Railroads, Schools Damaged

PY281911 Santiago Domestic Service in Spanish 1730 GMT 28 Jun 84

[Excerpts] A terrorist attack against the southern branch of the railroad line has caused an interruption in service. The dynamite attack was carried out against the railroad bridge over the Claro River at Km 211 of the southern railroad line between Talca and Curico.

The damage caused by a bomb explosion last night to the rail lines between Renca and (Cunicura) Stations, which are part of the northern rail branch, have been completely repaired. Therefore rail traffic between Santiago and Valparaiso is completely normal. Also, the slight damage that a bomb explosion caused last night to the rail lines between Alameda and Cartagena, in Maipu, will be repaired by today.

Terrorists have carried out two bomb attacks against Santiago schools but fortunately no one was hurt because the attacks were carried out after school hours. An attack was carried out against School A-111 at 9730 Jose Miguel Carrera Avenue in San Miguel. The bomb was placed at the base of a nearby lamp post and the shock wave broke all the school windows. The principal of School A-104 located at 1442 Florencia Street, in San Miguel, [name indistinct], reported that unidentified persons hurled a small bomb at the school building. She said that the bomb exploded in an empty classroom and that some windows were broken.

3 Explosions in Santiago

PY282213 Paris AFP in Spanish 0351 GMT 28 Jun 84

[Excerpt] Santiago, 26 Jun (AFP) -- Three bomb explosions which damaged a bank branch office, the railroad line to Valpariso, and an electricity pole were recorded tonight in several sectors of the Chilean capital. These violent actions began a little past 2200 local time (0200 GMT) when a bomb destroyed the windows of a bank office in the populous neighborhood of San Miguel. Another bomb went off 10 minutes later causing intermittent blackouts in the southern sector of Santiago, and last of all, unidentified persons placed another bomb on the railroad which exploded.

FOREIGN MINISTER RESIGNS, TO RETURN TO CONGRESS

PA282359 Madrid EFE in Spanish 2344 GMT 28 Jun 84

[Text] Bogota, 28 Jun (EFE) -- Colombian Foreign Minister Rodrigo Lloreda Caicedo, one of the leading figures in the Contadora Group, presented his resignation to President Belisario Betancur today.

The foreign minister, in a message sent to President Betancur, officially presented his irrevocable resignation, declaring that he wishes to return to his position in the Congress so that he can run for the position of president-designate (similar to vice president).

MEMBERS OF NEW CABINET, BOGOTA MAYOR ANNOUNCED

PA290124 Bogota Cadena Radial Super in Spanish 0000 GMT 29 Jun 84

[Text] The political crisis in President Belisario Betancur's government will be overcome tonight. According to journalist Oscar Dominguez, the new cabinet that will work with the head of state in his last 2 years of tenure is as follows:

Government Minister Jaime Castro Castro, National Defense Minister General Gustavo Matamoros D'Acosta, Foreign Minister Augusto Ramirez Ocampl, Public Works Minister Hernan Beltz Peralta, Mines and Energy Minister Alvaro Leiva [name indistinct], Communications Minister (Noemi Salinas Aldana), Agriculture and Livestock Minister Gustavo Castro Guerrero, Public Health Minister Amaury Garcia Burgos, Economic Development Minister (Ivan Duque Escobar), Education Minister Doris Eder de Zambrano, Finance Minister Roberto Junquito, Labor Minister (Oscar Chavez Salazar), and Justice Minister Enrique Parejo Gonzalez.

Luis Arnaldo Ardila will be designated the mayor of Bogota; he is currently the manager of the Libby Company.

PCC HOLDS CONGRESS, VIEWS FARC-GOVERNMENT TRUCE

PA281421 Bogota Cadena Radial Super in Spanish 0000 GMT 28 Jun 84

[Text] The Communist Party of Colombia [PCC] stated today that the truce between the Revolutionary Armed Forces of Colombia [FARC] and the government is in a phase of confrontations with militaristic circles and rightist groups that refuse to stop the violence.

Within the framework of its 14th congress, this party noted that the state of siege is the greatest obstacle to the democratization process, and demanded that it be lifted immediately. The PCC also noted that the defense minister must be a civilian, and condemned the U.S. interventionist policy in Central America, particularly because of its harassment of Nicaragua.

COURT RULES AGAINST ABC COLOR CLOSURE PLEA

PY290016 Asuncion Radio Primero de Marzo in Spanish 2300 GMT 28 Jun 84

[Text] Commercial Judge Alberto Andrada Nogues has ruled against the injunction requested by Luis Alberto Mauro and other journalists against the closure of the weekly EXTRA DEPORTIVO [published by the same corporation that used to published ABC COLOR]. Among other things the judge stated that there are no grounds for an injunction.

The Supreme Court has ruled against the unconstitutionality plea filed by ABC COLOR against the [Interior Ministry] resolution ordering that it be closed down. The court has already issued a sentence although its terms will not be known until the parties involved are notified. It has not been indicated whether the administrative court will take up the ruling of the Supreme Court which is almost 40 pages long.

CORRECTION TO INTERIOR MINISTRY BANS NEWSPAPER

The following correction pertains to the item headlined "Interior Ministry Bans Educational Newspaper," published in the 25 June Latin America DAILY REPORT, page H 3:

Word "Gazeta" in paragraph one, line two; paragraph two, line one; and paragraph three, line two should be "Azeta."

GOVERNMENT EXPRESSES CONCERN OVER RATE HIKE

PY290039 Paris AFP in Spanish 0130 GMT 28 Jun 84

[Text] Lima, 27 Jun (AFP) -- Today the Peruvian Government expressed profound concern over the increase in interest rates in U.S. banks saying that because of this situation there is an urgent need to consider a political dialogue between debtors and creditors to find just solutions to this problem.

In an official communique released tonight, the Peruvian Government says that the decision by U.S. banks increasing the prime rate from 12.5 to 13 percent considerably worsens the overall foreign debt of the developing countries.

The communique says that the decision to progressively load the burden of the adjustments of the industrialized countries' internal economies on the developing countries contradicts the well balanced concepts of the agreements reached by 11 Latin American countries in Cartagena, Colombia, last week. The document also says that the decision even contradicts the agreements reached at the London summit meeting where the industrialized countries agreed on the need to stop the increase of interest rates.

The Peruvian official communique says that the government reiterates that the problem of the foreign debt involves the mutual responsibility of debtors and creditors and that in this regard it hopes that the U.S. Government and banks heed the proposals made in Cartagena to rescind the interest rate increases and prevent future increases. The communique says that because of the current situation, there is an urgent need to consider the proposals made by the 11 Latin American countries advocating a political dialogue between debtors and creditors in order to find just and equitable solutions.

In conclusion the communique says that the Peruvian Government is maintaining contacts with the countries which signed the Consensus of Cartagena. This document was signed by Mexico, Brazil, Argentina, Venezuela, Colombia, Ecuador, Peru, Bolivia, Uruguay, Chile, and Dominican Republic.

BELAUNDE ON RATE HIKE, COPPER, CENTRAL BANK HEAD

PY281615 Lima Cadena Panamericana Television in Spanish 0315 GMT 28 Jun 84

[Text] President Belaunde tonight said that the Peruvian position on the U.S. interest hike is similar to that of other countries. As regards the U.S. protectionist measures on copper imports, he said that there has been a favorable turnabout and that talks will be held to find a solution that will not affect Peru.

[Begin recording] [Unidentified reporter] Mr President, do you not think that the U.S. interest rate hike and the restrictions on Peruvian copper imports are destabilizing Peru's reactivation program a little?

[Belaunde] Yes, of course. We have just approved a communique similar to those issued by other nations. The communique expresses our (?surprise) at the measure because it affects the efforts made througout the continent. However, there are fortunately some counterbalancing elements. It seems that the copper issue is heading toward a good solution; it seems there has been turnabout and that the restrictions, which had alarmed local producers a bit, will not be imposed.

[Reporter] Will the Peruvian and U.S. Governments continue holding talks on this issue?

[Belaunde] Yes, intensive negotiations are being carried out right now, not only by Peru but also by Chile, which got the worst of it. Fortunately, this has eased the situation a little.

[Reporter] Mr President, what do you think of the remarks by Central Bank President Richard Webb to the effect that Peru will not be able to meet the IMF requirements?

[Belaunde] Look, when the president and directors of the Central Bank take the oath of office, they expressly pledge not to disclose confidential information. Of course, information that could cause alarm is considered confidential, even when it is just a personal view.

[Reporter] Do you think that he should resign, Mr President?

[Belaunde] Well, look, I would not like to interfere in that issue. I hope it will be resolved through proper channels because there must be harmony within institutions and understanding among the branches of government. But above all, the president of the Republic is responsible for running the country and it would be very unwise if he failed to observe constitutional rule. [end recording]

MINISTER RECOMMENDS CENTRAL BANK HEAD RESIGN

PY281424 Lima Domestic Television Service in Spanish 0430 GMT 28 Jun 84

[Text] Commenting on the repercussions of the remarks Central Bank President Richard Webb made regarding the payment of our foreign debt, Economy and Finance Minister Jose Benavides Munoz today recommended that Richard Webb resign from his post because the situation is already hostile. However, the minister declined to give his opinion on whether the executive branch could dismiss the Central Bank president.

CENTRAL BANK REPORTS ON FOREIGN DEBT SERVICING

PY281755 Lima Domestic Television Service in Spanish 0430 GMT 28 Jun 84

[Text] The service on the public foreign debt decreased as of 1982. In 1982 it reached $1,338,000,000, but in 1983 it decreased to $715 million. This was reported today by the Central Bank in its latest weekly bulletin.

During the first quarter of 1984, the service amounted to $124 million and $37 million were paid on 15 June.

The report states that on 7 June 1984, the financial system had granted to the private sector loans totaling 1,029 trillion soles while the banking system had granted only 908 billion soles to it.

ARGENTINA AGREES TO REFINANCE 95 PERCENT OF DEBT

PY282200 Lima Diplomatic Information Service in Spanish 0601 GMT 27 June 84

[Text] The Argentine Government has agreed to refinance 95 percent of the Peruvian debt due, both principal and interest. The loans had been granted by the Argentine National Development Bank to the Peruvian National Bank to finance the building of the nuclear research center and to PetroPeru [State Petroleum Agency] for the north Peruvian oil pipeline.

INTERIOR MINISTER ON DEATH PENALTY, TERRORISM

PY271901 Lima Domestic Service in Spanish 1100 GMT 27 Jun 84

[Text] Interior Minister Luis Percovich Roca has stated that the government has taken the initial step toward the application of the death penalty to terrorists who kill innocent Peruvians, adding that the final decision is now in the hands of the legislative branch. The interior minister reiterated his condemnation of terrorist actions and said that they must [words indistinct]. He said that the government is determined to stop the irrational terrorist actions being carried out by the Communist Party and Shining Path.

The executive branch has discharged its duty and the final decision is now in the hands of the National Congress, Percovich concluded.

REPORTAGE ON GUERRILLA ACTIONS, VIOLENCE

Town Attacked; Guards Killed

PY270324 Madrid EFE in Spanish 1730 GMT 23 Jun 84

[Excerpt] Lima, 23 Jun (EFE) -- Approximately 100 terrorists linked to drug trafficking last night attacked the town of Tocache, in the jungles of national San Martin Department, killed six civilian guards, caused property damage, and set fire to several buildings. The "narcoterrorists" attacked last night the town of Tocache, a well known center of cocaine traffic, with dynamite and fire bombs, according to reports received today in Lima. The attackers set fire to the police station, the power facilities, the Amazon Bank, the town hall, and a drugstore, all of which were seriously damaged. The incursion of subversives, who had previously plunged the town into darkness, lasted 1 and 1/2 hours, during which they hurled at least 200 sticks of dynamite. Six civil guards assigned to Tocache who resisted the attack were killed, while other reports state that only three died. No precise number or the state of wounded persons has been given. The attack seems to confirm that the "Shining Path" terrorists, probably supported by drug traffickers, are abandoning the Peruvian central hills and moving to the Amazon jungle region.

Report From Ayacucho

PY261550 Lima Television Service in Spanish 0430 GMT 26 Jun 84

[Report from Ayacucho by Dante Guerra]

[Text] From Ayacucho for "Telediario": A total of 45 murdered peasants and an undetermined number of injured people was the tragic result of a criminal attack by Shining Path members against Paicca, a 3-hour walking distance from the (Sacsamarca) locality, 160 km south of Huamanga. According to a radio report, the group of terrorists who attacked Paicca on 25 June at noon is the same group that attacked the Huancasancos police station 23 June and killed an Army captain and a civil guard member. (Sacsamarca) police are in a state of alert. Approximately two detachments from the (Los Cabitos 51) Army unit have been transported to Paicca aboard helicopters to stop the actions being carried out by the terrorist group, which is made up of approximately 500 Shining Path members. A heavy clash between security forces and subversives is currently taking place among the rugged Paicca hills.

Terrorists between 15 and 17 years old wearing civil guard uniforms died during the clash which occurred in Huancasancos, approximately 150 km south of Huamanga, [on 23 June]. The Huancasancos police station is perhaps the strongest throughout Ayacucho Department.

Terrorists have totally destroyed the (Acabamba) bridge, located 1 km from Luricota, 5 km from Huanta, and 60 km north of Huamanga. Traffic to and from the area has been interrupted.

On the night of 24 June, a powerful explosive caused a blackout in the localities of [names indistinct], and in the vicinity of the Valle de Ayacucho regional hospital from 1900 to 0330, and the appearance of lit bonfires at the top of the Campanario Hill created tension in Huamanga.

Three other powerful explosives awakened and alarmed residents of (Machente) at approximately C[illegible]) on 25 June. The loud explosion of a powerful bomb reduced to rubble the (Tutumbaro) bridge at the entrance to (Machente), approximately 150 km northeast of Huamanga. The (Tutumbaro) bridge was blown up by approximately 100 subversives who had previously attacked a large yellow Volvo van that was transporting food from Huancayo.

A total of 17 Shining Path members have been killed by residents of (Sayayi), 32 km west of Ayacucho, who refused to give lodging to the subversives. The clash between the 17 terrorists, who were armed with submachineguns, and the (Sayayi) peasants, who only had farms tools, occurred on Saturday at 0100.

This has been a report from Ayacucho for "Telediario" by Dante Guerra.

Army Detachment Ambushed

PY271849 Lima Cadena Panamericana Television in Spanish 0315 GMT 27 Jun 84

[Report from Ayacucho by Mario Cueto Cardenas]

[Text] At 0720 on 26 June, Shining Path members attacked an Army detachment that was traveling from (Pichari) to San Francisco. Four soldiers were killed and another was wounded in the ambush, which took place in Omalla, 215 km northeast of Ayacucho. The wounded soldier was taken to San Francisco, 8 km from Omallo.

It is believed that two Shining Path members died in the ambush. As soon as the police learned about the attack, a detachment was sent to Omallo to evacuate the wounded soldier and remove the bodies of the four others. It has also been learned that police and military forces have been mobilized to capture the perpetrators of the attack.

Turning to another subject, through communique No 12 issued on the morning of 26 June, the political-military command stated that contrary to what some police members reported on Sunday night, the curfew has not been restored in Ayacucho.

FOREIGN MINISTRY REACTS TO INTEREST RATE HIKE

PY281347 Montevideo Radio El Espectador Network in Spanish 1115 GMT 28 Jun 84

[Text] Uruguay has reacted to the hike in interest rates made by international banks. The following communique was issued by the Foreign Ministry:

We want to express again our deep concern over the recent increase in interest rates made by the private international banks. This measure contradicts the statement the developed countries made during the London summit meeting to the effect that the rising (?annual) interest rates increase the problems confronting by debtor countries. We believe that this attitude also affects the stability of the international financial system and that it distorts the social and political situations in developing countries.

The 11 Latin American countries that signed the Consensus of Cartagena once more give irrefutable proof of their judiciousness and moderation when they reaffirmed their promise to meet all their financial obligations in due time and when they pointed to the joint responsibility of debtors, creditors, and international financial institutions themselves to confront the crisis.

The communique concludes by stating that in light of this new increase, which deeply offends the mature and responsible attitude of our countries, we trust that the measure will be substantially reviewed.

CIVIL STRIKE LOSS ESTIMATED AT $15 MILLION

PY281705 Montevideo Radio Carve in Spanish 0930 GMT 28 Jun 84

[Excerpts] State Council member Eduardo Praderi has told Carve that our country has lost more than $15 million because of yesterday's general strike.

[Begin recording] [Unidentified reporter] You have also talked about the country's loss in production due to yesterday's strike.

[Praderi] Yes, sure. Well, it is very difficult to make an initial estimate but the loss could total more than $15 million. [end recording]

With the absence of 14 of its members, the State Council held a meeting yesterday and approved a law on trade union rights. The law doubles the severance pay to which a trade union leader is entitled under the current law. The number of trade union leaders is proportional to the number of union members.

COLORADO PARTY BEGINS TALKS WITH ARMED FORCES

PY290046 Montevideo Radio Carve in Spanish 0000 GMT 29 Jun 84

[Text] Colorado Party Secretary General Dr Julio Maria Sanguinetti has held the first meeting with the military. He held separate meetings with the commanders in chief of the Armed Forces. He reiterated the position of his party, of the Civic Union, and of the Broad Front to resume negotiations. [passage indistinct]

TRADE UNION LEADER RELEASED AFTER 8 YEARS

PY281717 Montevideo Radio Carve in Spanish 0930 GMT 28 Jun 84

[Text] Uruguayan labor union leader Rosario Pietraroia yesterday regained his unrestricted freedom after being imprisoned for more than 8 years. According to union sources, Pietraroia, to whom the Italian Government has granted citizenship, may move to Rome together with his family.

We recall that Rosario Pietraroia, who is 72 years old, was the last general secretary of the National Union of Metalworkers and Related Industries Workers.

Pietraroia suffers from progressive blindness, one of his eyes has been removed, and the other one has a cataract. Therefore he must be operated on immediately.

JOURNALIST INDICTED BY MILITARY JUDGE; 3 ARRESTED

PY262330 Paris AFP in Spanish 0058 GMT 25 Jun 84

[Excerpt] Montevideo, 25 Jun (AFP) -- A journalist who last Friday published an article indicating that the Uruguayan Armed Forces are suffering from a great fear of revenge was indicted by a military judge today on charges of damaging the morale of the military. The article, which was published on the back page of the weekly LA DEMOCRACIA of the National Party and was signed by Julian Murguia, also caused the arrest of the publication's three directors: Alberto Zumaran, Mario Jaso, and Roberto Rubio.

In the article Murguia accused Lieutenant Colonel Klever, director of the prison for women at Punta Rieles, of strongly opposing any amnesty for political prisoners. He added that the Uruguayan military men fear that they may become the victims of revenge in the future and indicated that this opinion must be shared by several comrades in arms of the zealous prison director. He also said that if the military men believe that they need an amnesty they must clearly say so because no one is going to merely give it to them. They must bring it up in the negotiations to see if it is negotiable and if it is, they must pay a price for it.

LA VOZ DE LA MAYORIA EDITOR DETAINED, QUESTIONED

PY281725 Montevideo Radio Carve in Spanish 0930 GMT 28 Jun 84

[Text] The newspaper EL DIA has reported the detention of Alexis Jano Ros, chief editor of the newspaper LA VOZ DE LA MAYORIA. After being questioned for 5 hours at the 2d military trial court, Jano was taken to an unknown destination. EL DIA says that not even his lawyer, Hector Clavijo, knows where Jano Ros was taken.

BROAD FRONT LEADER DISCUSSES POLITICAL SITUATION

PA270027 Mexico City EL DIA in Spanish 20 Jun 84 p 15

[Report on Uruguayan Broad Front leader Liber Seregni interview with EL DIA correspondent Carlos Vanella and an unidentified Mexican journalist in Montevideo on 19 June]

[Excerpts] Montevideo, 19 Jun -- "Only the Uruguayan people, acting as a people, can overcome this phase" of the crisis, the most serious in Uruguay's history, in which "the country's very existence as a nation is at risk." Not even an "enlightened" man or political party, no matter how large and regardless of whether it obtained a majority of votes or not -- indeed, not even a coalition of political parties -- could overcome this. Only unified actions by all the people can overcome it." [quotation mark as published]

Lively, cordial, and solicitous, in good physical and mental health, and with a broad and profound understanding of the topics under discussion, General Liber Seregni met us at his modest home. Both he and his wife, who greeted us when we got there, exuded a certain warmth that was felt from the moment we entered their home. Ten years as a prisoner of the dictatorial regime have not robbed Seregni of his confidence in the future, and he has certainly played an important role in shaping our future for some time.

With a correspondent from another Mexican newspaper, I held a conversation with the man who is demanding unity among Uruguayans and who is working to make this unity more effective. He was the Broad Front's presidential candidate in 1971, and he is now the undeniable leader of the coalition: General Liber Seregni.

[Question] General, what significance do you see in Wilson Ferreira Aldunate's return to Uruguay at this time?

[Seregni] It was politically necessary to solve the political-institutional crisis that we are experiencing once and for all. Wilson Ferreira is the undisputed leader of the majority faction of the National Party -- no one can deny it -- and his presence here was essential in ensuring that the country's most important figures participate in the discovery of new openings. His return is another significant event in the country's political life. It had, of course, all the trappings expected of the return of a political figure who is sought by the government, threatened with prison, and who will be put on trial.

[Question] What is your evaluation of the military court's trial of Ferreira? There are those who say that he could be released this week.

[Seregni] In Wilson Ferreira's case, as in my case and in the cases of thousands of others, the trial is essentially political. Decisions are made at a political level and are later implemented in the guise of judicial decisions.

[Question] Do you see any chance that he will be released relatively soon?

[Seregni] I think he will be released soon because his imprisonment has caused the regime many complications. Meanwhile, his immediate release is going to be demanded by all of the political parties, and international pressure will be applied as well. Furthermore, there is awareness everywhere that Wilson Ferreira is no criminal; his only crime has been to disagree with the regime.

[Question] Do you think that the government's policies toward Ferreira will bring out internal contradictions within the Armed Forces, or is there a single policy?

[Seregni] I, as one who knows the military profession from the inside, have always been very skeptical about differences that could emerge within the Armed Forces. First, this is common to all regimes of force that have imposed on our continent. Our Armed Forces do not have a positive ideology, they have a negative ideology of "anti's" -- anticommunism, antiprogress, antistudents, anticulture.... They have been united by the doctrine of "national security" (and that is foreign), which was imposed on our peoples. There could be shades of differences among the various forces. In fact, as organizations, the Navy and Air Force have been more prone to seek a solution to the current situation than has the Army, which has proven to be the most unyielding. Something else, however, is certain. The process here is being commanded and directed by the Army, and the other forces go along.

[Question] Would Ferreira Aldunate be an acceptable candidate to the Armed Forces?

[Seregni] Absolutely not. Not even in their dreams. If there are two "untouchables," they are him and me.

[Question] In this context, will the planned 25 November elections, with their participants and nonparticipants, take place?

[Seregni] Everyone -- government, people, and parties -- is interested in finding ways of bringing the various political forces into the electoral process. For the last 1 and 1/2 years, the Broad Front, acting with a very clear vision of the historic time in which we are living and of the country's future, realizing the seriousness of the institutional crisis and the gravity of the economic crisis -- which, in itself, has created a situation so serious that the existence of the country itself is in danger -- has been saying that we could overcome this crisis only with the people's unity, that only the Uruguayan people, acting as a people, could overcome this phase. Not even an "enlightened" man or a political party, no matter how large or whether it obtained a majority of votes -- not even a coalition of political parties -- would be capable of overcoming this. Only the unified actions of all of the people can do so.

Realizing this, we proposed and planned our national reconciliation policies in the hope of reaching an agreement that would allow the preparation of a national plan for overcoming the situation. The forum for this agreement would be the Multiparty Group, in which representatives from trade union forces, student movements, cooperatives, human rights groups, and business groups form a very strong force, the total expression of our people.

[Question] The farewell given Ferreira in Buenos Aires, where most of the people seeing him off were from the Broad Front, was impressive...

[Seregni] The Broad Front is the most dynamic sector of Uruguay, either inside or outside the country's borders. The party has fought these 11 years, always banned, and it continues to struggle while banned. It is the most apparent political group in any demonstration against the government...and it remains banned. However, we are faithful to our principles; we don't merely speak of solidarity, we practice it.... Of course we have significant points in common with the National Party, but we also have things in common with the Colorado Party, and even with the Civic Union, which is why we are working together in a Multiparty Group. Our basic point of contact is the fact that we all want to achieve democracy and to retrieve our liberty. We know that these are common demands. We know that we must cover certain ground together, and we are doing so.

[Question] If the Broad Front is not authorized to participate in the elections, will it do so anyway?

[Seregni] Yes. It is going to participate with its own image, its own characteristics, and its own candidate, whether through one of its groups that has resumed legal status, or by registering a new party under Law No 2 created by this regime.

[Question] The Armed Forces have imposed as a condition for the November elections that they and the political parties agree on a constitution. What will happen if this does not take place?

[Seregni] The parties, through the Multiparty Group, have already declared that they do not accept any pact as a condition for the elections. What we will do is negotiate. We will negotiate the conditions, the way in which the government power will be transferred. This is what we must negotiate.

LUSINCHI, MINISTERS VIEW PRIME RATE INCREASE

PA281810 Buenos Aires LATIN in Spanish 0815 GMT 28 Jun 84

[By Roberto Powell]

[Text] Caracas, 28 Jun (LATIN-REUTER) -- Venezuelan President Jaime Lusinchi has declared that the latest increase in international interest rates "is virtually an assault on the economy of the debtor countries."

This is what he told newsmen when discussing the 1/2-point increase in the U.S. preferential rate (prime rate), which now totals 13 percent.

"I would add that this is a time bomb because a drowned man cannot make payments," he added.

"We have complied with the platform we offered the country and, as president of the Republic, I call upon creditors to respond by granting conditions to Venezuela that will allow the growth of its economy to keep pace with necessary social development," Lusinchi said.

Finance Minister Manuel Azpurua flew to New York yesterday for a round of consultations with Venezuela's Advisory Committee on Banking [Comite Asesor Bancario] to discuss the refinancing of the country's current $34-billion foreign debt.

Azpurua said that he will present a final set of economic projections to the banks to serve as a basis for the renegotiation of a $15-billion package of the public sector's debt expiring in 1983 and 1984.

Foreign Minister Isidro Morales Paul later issued a delcaration condemning the increase in the interest rates and describing it as "a new negative element that further complicates the Latin American countries' efforts to adjust their economies and meet their financial obligations."

Moralis Paul added that the timing of the latest increase also demonstrates "an aggressive lack of consideration" toward the Cartagena Declaration, which was issued last week by 11 Latin American debtor countries and calls for lower interest rates and more favorable amortization terms.

"The constant increases in the interest rates and the fixing of the rates above reasonable levels will undermine, and often block, the efforts of the debtor countries to meet their financial obligations," Morales Paul added.

SEPULVEDA, COLOMBIAN MINISTER ON FOREIGN DEBT

FL280221 Mexico City NOTIMEX in Spanish 2043 GMT 27 Jun 84

[Text] Mexico City, 27 Jun (NOTIMEX) -- Mexico's Foreign Secretary Bernardo Sepulveda has said the diagnosis of the economic situation made last week at the Cartagena meeting showed a worrisome situation, one that becomes even more delicate after this last 1/2-point rise in interest rates. At the start of the joint Mexican-Colombian cooperation committee meetings, Sepulveda said this unilateral action makes it all the more imperative that more attention be paid to the region's calls for the international financial system to work the way it should.

Later in his speech Sepulveda emphasized that the Contadora Group's persistent efforts have repeatedly averted the threat of a generalization of the conflict, bringing unforeseeable consequences involving all the nations in the region and compromising the continent's stability.

Sepulveda said the countries that met in Colombia last week are holding meetings to assure that the Cartagena agreements are observed. The Cartagena agreements sought to determine those responsible for providing a solution for such a delicate matter as development financing. Before the Mexican and Colombian delegations -- this last one led by Minister for Economic Development Rodrigo Marin Bernal -- Sepulveda said the international economy's difficult future has accentuated the asymmetric tendencies in the distribution of the nations' economic adjustment. He added that Latin American regional organizations should organize and make known the interests of the member countries to make them more effective instruments of political communication and economic negotiation.

The Colombian minister condemned what he described as the industrialized nations' blind indifference in responding to the underdeveloped nations' call for seeking shared solutions to the foreign debt problem. Marin Bernal rejected the idea that last January's Latin American economic conference and the Cartagena meeting were only rhetorical acts. Both meetings are movements for the defense and common interest of countries in the region.

In another context, Bernal Marin said the committee meetings [in Mexico] will benefit Colombia by correcting its chronic trade deficit with Mexico. The Colombian minister said that at this meeting the goals and means for developing marine resources and exploiting Colombian coal could be defined. He added that Brazil would be included in this along with Mexico.

Sepulveda and Marin said the meeting, which will end on Friday, came about because of a high degree of identification between the two countries, and the political effort toward cooperation which was shown when President Miguel de la Madrid visited Colombia in April.

BANK OF MEXICO REACTS TO PRIME INTEREST RATE HIKE

F1281524 Mexico City NOTIMEX in Spanish 0300 GMT 27 Jun 84

[Text] Mexico City, 26 Jun (NOTIMEX) -- The Bank of Mexico today stated that the increase in the U.S. prime interest rate would raise Mexico's foreign debt by about $1 billion this year. It indicated that for this reason, the 1984 current accounts surplus will be $3.8 billion instead of the expected $4.8 billion. The bank reported that the extra $1 billion which will be paid as interest represents 3.2 percent of the total value of national exports of goods and services.

Meanwhile, Manuel Cavazos Lerma, chairman of the Budget and Public Accounting Committee of the Chamber of Deputies, has said the interest rate increase was deplorable because it means that resources will be diverted from other areas to pay the Mexican foreign debt. He said that this increase represents payment of an additional $180 million in foreign currency for which we have to adjust ourselves to (?decreased) availability of resources from abroad. Cavazos Lerma, who is also president of the League of Revolutionary Economists, admitted that the holdings of the national banking system are positive as are its foreign currency holdings. He also said that petroleum sales are positive, pointing out that there have been two unexpected 50-cents-per-barrel [U.S. currency] increases in the price of oil.

NUNS KIDNAPPED IN ANGOLA; CHURCH PROTESTS

PA222030 Paris AFP in Spanish 1627 GMT 22 Jun 84

[Text] Mexico City, 22 Jun (AFP) -- Five Mexican Catholic nuns were kidnapped on 12 June by the Angolan antigovernment movement National Union for the Total Independence of Angola [UNITA], the Commission of Catholic Church Missions [Comision de Misiones de la Iglesia Catolica] reported here. The same source said that four Spanish nuns, a Spanish priest, and a Colombian priest were also kidnapped.

The kidnapped Mexicans are Maria del Socorro Colin Garcia, Consuelo Rubio Galindo, Teresa Cruz Pedraza, Araceli Lopez Tovar, and Elivira de Haro Castaneda. The identities of the kidnapped Spanish nuns and the Spanish and Colombian priests are unknown.

The nuns and priests were in the locality of Kibala when the members of UNITA abducted them and took them to an unknown destination.

The Mexican Catholic Church has demanded that UNITA indicate the whereabouts and state of health of the kidnap victims and grant them access to international communications.

BRIEFS

SOVIET-INSTALLED FACTORIES -- The Soviet Union will install two textile and celluloid fiber factories in the Mexican State of Chihuahua. The announcement was made by the chief of the Soviet trade office in Mexico. He also said that his country and Mexico will have an annual trade of 40 million rubles. [Summary] [Mexico City International Service in Spanish 0100 GMT 28 Jun 84 PA]

OIL PRODUCTION FIGURES -- The Office of the Secretary of Planning and Budget has announced that during the first 3 months of this year Mexico produced an average of 2,669,000 barrels of crude oil daily and exported an average of 1,593,000 barrels, 55 percent of which was light oil and the remaining 45 percent heavy. This oil was exported to the United States, Japan, Spain, Great Britain, and France. The office also reported that during the same period Mexico produced 3,905,000,000 cubic feet of natural gas daily and that an average of 144,000,000 cubic feet of this gas was exported. [figures as heard] [Text] [Mexico City International Service in Spanish 0100 GMT 28 Jun 84 PA]

TRADE BALANCE SURPLUS -- The Mexican Programming and Budget Secretariat has reported that during the first 4 months of 1984 Mexico's balance of trade registered a surplus of $5,074,000,000, 11 percent more than the balance registered for the same period in the previous year. The favorable balance resulted from a total of $8,042,600,000 in exports against $2,968,600,000 in imports. [Summary] [Mexico City NOVEDADES in Spanish 20 Jun 84 p 1 Financial Section PA]

COSTA RICA

EXPELLED FDN SPOKESMAN REQUESTS ASYLUM

PA290315 San Jose Radio Impacto in Spanish 1830 GMT 28 Jun 84

[Text] It has been reported that the decision to cancel a tourist visa for Nicaraguan Democratic Force, FDN, spokesman Oscar Leonardo Montalvan originated with Government Minister Alfonso Carro Zuniga.

Some personalities commented earlier that this proposal to the National Security Council had come from what has been described as the council's left wing. It was learned, however, that the matter was brought up at the council by Carro, who is considered a rightist in the National Liberation Party. The decision was unanimous, a sign, it was said, of the council's unity and firmness.

Montalvan submitted a request for asylum in our country before leaving for Honduras at noon today. His forced departure was the result of the cancellation of his tourist visa. The decision to suspend his visa was made by the National Security Council because Montalvan was accused of engaging in military activities in our country and of insulting friendly countries, including those in the Contadora Group. His request for political asylum was sent to the Foreign Ministry; it will be decided upon when President Monge returns to the country.

PVP LEADER ON DEVELOPMENTS IN PARTY, POLICY

PA272246 San Jose LIBERTAD in Spanish 21-28 Jun 84 pp 4, 5

[Excerpts] The People Did Not Retreat From Marxism-Leninism

In a brief summary of the most important aspects of the history of the Popular Vanguard Party (PVP), Companero Humberto Vargas Carbonell [PVP secretary general] gave a warm welcome to the veteran representatives of the party's regional committees who were specifically invited to preside over the ceremonies celebrating the PVP's 53d anniversary. In one part of his speech, the companero secretary general said that a journalist had asked him that afternoon why Manuel Mora [former PVP secretary general] was not mentioned on the occasion of the anniversary; Humberto responded that men must be judged not by what they have done but by what they do now, and in this sense Manuel Mora has totally isolated himself from revolutionary positions.

"On this platform," Vargas said, "stand Luisa, Arnoldo, Antolin, Solano, Zuniga, Pompillo, Zarate and other companeros who did not retreat, communists who learned within the party to respect our principles, and they have never violated them." He added that it is people like these who represent the genuine and true history of the PVP.

Humberto indicated that one important achievement has been the legal battle to defend the PVP's prestige. He stressed that it has been a long and difficult struggle in which attorney Ligia Arce played an important role. Despite the braggarts' predictions, she defeated Manuel Mora Valverde's legal maneuverings.

Humberto said that the court's decision reflected the facts of the case, the law, and the PVP's charter, and exposed the opportunism of the Mora Valverde brothers, who are now attacking the very court that they praised and hailed as the defender of democratic traditions only a few days earlier.

Vargas said that today more than ever before it is important to promote broad and firm unity among the country's democratic and anti-imperialistic organizations. In that context, he expressed his pleasure at seeing Rodrigo Gutierrez [not further identified], National Patriotic Committee [COPAN], representatives, and representatives of Candil [not further identified] at the gathering. He noted that the PVP supports the creation of an alliance of democratic and anti-imperialistic forces without any conditions. The important thing is that we share objectives, regardless of philosophical or ideological positions; we can, therefore, unite while keeping each group's ideology intact.

On this point, the secretary general criticized the position of the Patriotic Alliance, which intentionally excludes Marxists and the PVP. The PVP leader believes that there cannot be genuine popular unity in an alliance of democratic, anti-imperialistic, and revolutionary forces without the PVP. Vargas said that the Patriotic Alliance is limiting its own chances to grow because of this position.

"The basic principles of unity must be the struggle against imperialism, the fight for popular justice, and rejection of the oligarchy, which obtains its riches by making the poor poorer," Vargas Carbonell added. He also noted the need to counter the government's hunger policy, to reduce the scandalous increases in the cost of living, and to improve the workers' salaries.

Vargas believes that if a revolution is to be realistic, it must study developmental trends and guide its struggle within that context, with the understanding that revolutions are not a tragedy for the people, as opportunists insist, but the only way to solve their most urgent problems. The leader said that revolutionaries must share the optimism of the working class and must be dreamers like Lenin, who, despite adversities, led his people to revolution; like Ho Chi Minh, who defeated the world's strongest army; and like Fidel Castro, who, after the defeated Granma landing, brought down the Batista tyranny with 18 men and 6 rifles and established the first socialist state in Latin America.

Humberto also spoke about the Central American problem, declaring that revolutionary leaders must take urgent actions to show internationalist solidarity. He added, however, that such tasks must not be carried out at the expense of our own revolution, as reformists suggest, because in that case they would not be actions of solidarity. "He who betrays internationalism is betraying his own people and his country; and he who delays the revolution is also betraying internationalism," Vargas Carbonell said. He went on to say that the best way to show solidarity with Nicaragua, El Salvador, and the other people of Central America is by developing our own process. That will permit us to stop imperialism's aggressive hand, he said.

Humberto said that the PVP's daily task is to offer full support to the Sandinist people's revolution, the revolutionary processes in El Salvador and Guatemala, the struggle of the Uruguayan and Chilean patriots, and to all the continent's peoples; and to give our solidarity to the glorious Cuban revolution, and to the USSR and its Communist Party. He stressed that if we offer solidarity to all of the world's peoples we will never be alone and will always be able to win.

BRIEFS

AGREEMENTS WITH MEXICO -- Costa Rica and Mexico have ratified a trade agreement granting tax preference to 120 Costa Rican industrial products that are exported to Mexico. It was also agreed to reactivate a technical cooperation agreement between the Mexican Foreign Trade Institute and the Costa Rican Investment and Exports Promotion Center. [Summary] [San Jose LA NACION in Spanish 16 Jun 84 p 6 A PA]

EL SALVADOR

REPORTAGE ON FMLN ATTACK ON CERRON GRANDE DAM

COPREFA Communique

PA281507 San Salvador Radio Cadena YSU in Spanish 1400 GMT 28 Jun 84

[Excerpts] Attention, this is a last-minute report: Loud explosions have been heard in northern San Salvador since early this morning and, according to very reliable military sources, guerrillas have seized the installations of the Cerron Grande Hydroelectric Dam.

Attention, dear listeners of YSU. Since 0200, heavy fighting has been under way. According to very reliable military sources, FMLN guerrillas have seized the Cerron Grande Dam installations and are holding several employees hostage. Thus far, there are no details regarding casualties on either side.

Our correspondent in Cabanas Department reported that a Detachment No 2 police patrol, headquartered in Sensuntepeque, Cabanas Department, was attacked by guerrillas in Santa Lucia, San Isidro jurisdiction early today; fighting ensued. The number of casualties has not yet been determined. We will not hear an official communique issued by the Armed Forces Press Committee [COPREFA] regarding the action at the Cerron Grande Dam:

[Begin unidentified COPREFA official recording] San Salvador -- FMLN terrorists attacked the Cerron Grande Hydroelectric Dam in Chalatenango Department early today and took some maintenance personnel hostage. The situation there is uncertain. The subversive action began at 0200 and fighting has been reported in the area since then. There have been several rebel casualties. Preliminary reports indicate that a large number of rebels are still at the dam with the hostages, and that they intend to destroy the engine room, thus causing the country an incalculable loss.

Cerron Grande is the country's largest dam and supplies energy to a large portion of our territory. In view of such a dangerous action that jeopardizes human lives and the economic effort of all the people, the Armed Forces immediately began an operation aimed at protecting the people and forcing the guerrillas to flee. This new action by FMLN terrorists once again shows the selfish reasons that motivate them and their hatred for the Salvadoran people who are suffering the consequences of Marxist vandalism. This has been an official COPREFA report. [end recording]

Meanwhile, an anonymous person who claimed to be an FMLN member called YSU this morning to say that leftist individuals who are FMLN members seized the Cerron Grande Hydroelectric Dam. He said: We are taking the people to Jutiapa. We ask the top Armed Forces command not to attack us because we will not be held responsible for what happens to the dam. This is what an anonymous caller told YSU. He also said that this action has the following objectives: To support the workers just demands, sabotage the economy of imperialism, and denounce the implementation of the National Commission for Reconstruction of Affected Areas [CONARA] plan which the government is trying to implement in Cabanas Department.

Meanwhile, the entire northern sector of San Salvador Department, or most of San Salvador Department, and Chalatenango Department are without power because leftists dynamited four electric power lines last night. According to military reports, this action occurred between 2200 and 2330. It was stated that the lines were located between km 27 and 28 of the Northern Trunk Highway. The rebels left FMLN propaganda behind, including a sign reading: Young people, our homeland is being attacked by the gringos. Let's defend it with our weapons. Join the FMLN army.

It was also reported that rebels attacked military guards at the (Tutultepeque) farm located south of Aguilarea in San Salvador Department. Two civil defense members were slightly wounded in the action which began at approximately 2300 and ended early this morning.

120 Hostages Reportedly Held

PA232119 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 28 Jun 84

[Text] YSKL reporter Raul Beltran, who is at km 44 on the road to San Rafael Cedros, has informed us that the troops in that area told him that at midnight last night a reconnaissance patrol in charge of guarding the area of the Cerron Grande hydroelectric substation in San Rafael Cedros discovered a large guerrilla column moving along km 44 en route to the energy substation. A fierce clash ensued. Early this morning, Air Force planes conducted reconnaissance flights over the area, while reconnaissance patrols and special units from the Ramon Belloso Battalion are engaged in combat with the guerrillas who are at km 46, 2 km from the area where Raul Beltran is attempting to clear traffic toward Ilobasco. There are many civilians on the turnoff to San Rafael Cedros and on the road leading out of Ilobasco. However, they have been unable to drive through the area, as traffic is obstructed.

Reports indicate that large groups of FMLN rebels are positioned along other parts of the road, impeding rapid Army deployments. Meanwhile, 20 Hl Huey helicopters have been seen over the area. They are reportedly moving troops toward the Cerron Grande area.

It is believed that the guerrillas are holding some 120 hostages, including technicians and troops. Reports indicate that five civilians and five soldiers have been wounded by mortar fire. Some 30 soldiers of the Ramon Belloso Battalion have been taken to San Salvador's military hospital.

Army Regains Control

PA281926 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 28 Jun 84

[Armed Forces Press Committee, COPREFA, "report" issued 28 June]

[Text] The Salvadoran Armed Forces achieved complete control over the Cerron Grande Dam this morning, and have kept this dam, which was attacked by terrorists early today, cordoned off.

Airborne and infantry troops, in an immediate reaction, forced the terrorists to flee. Armed Forces troops are involved in a combing and pursuit operation. The number of casualties and the condition of some of the dam employees is still unknown. According to a clandestine station, these employees are still hostages of the subversives.

COPREFA also denies reports by a terrorist station stating that the 5 November Dam was also attacked. Reports from the area indicate that this dam was not attacked, and that the area is completely calm.

Finally, the people are hereby informed that soldiers of Military Detachment No 2 of Sensuntepeque were ambushed by terrorists near San Isidro this morning as they were riding in Army trucks. This has been a direct report from COPREFA.

Casualties Reported

PA290003 Paris AFP in Spanish 2343 GMT 28 Jun 84

[Text] Cerron Grande, 28 Jun (AFP) -- Military authorities here reported that at least 100 people, including 80 military, were killed in the FMLN's attack on the Cerron Grande Dam, 90 km northeast of San Salvador. However, President Jose Napoleon Duarte said that approximately 60 soldiers and 60 guerrillas were killed. President Duarte and Defense Minister Eugenio Vides inspected the dam this afternoon to assess the damage caused by the FMLN. It was reported here that the guerrillas, who held the dam for 10 hours, also "kidnapped" dozens of soldiers and five executives of the State Electric Company (CEL).

COPREFA REPORTS ON CLASH IN SAN VICENTE

PA290414 San Salvador Radio Cadena YSU in Spanish 1800 GMT 28 Jun 84

[Armed Forces Press Committee, COPREFA, communique issued on 28 June]

[Text] Six terrorists were killed this morning in a clash with troops from the 5th Infantry Brigade, headquartered in San Vicente, near Km 51 on the Pan-American Highway in the Canton of Santa Lucia, in the San Lorenzo jurisdiction of San Vicente Department. The clash began at 0545 when a group of extremists tried to launch a surprise attack on a group of soldiers, but the soldiers reacted rapidly. In addition to the six dead extremists, two M-16 rifles, one AR-15 rifle, and one M-79 grenade launcher were confiscated from the rebels. It is not known how many FMLN members were wounded, or whether they took any bodies with them. Army troops are now advancing north on the highway in pursuit of the terrorists, who fled in the direction of San Esteban Catalina. The Salvadoran Army suffered 10 casualties, four dead and six wounded soldiers.

RADIO VENCEREMOS ON 'TAKEOVER' OF CERRON GRANDE DAM

Report From Farabundo Marti

PA282104 (Clandestine) Radio Venceremos in Spanish to El Salvador 1830 GMT 28 Jun 84

[Excerpts] Radio Venceremos, the official voice of the FMLN, now establishes contact with our sister station, Radio Farabundo Marti, to give our people and the people of the world information on our takeover of the Cerron Grande Dam. Go ahead, companeros at Radio Farabundo Marti in Chalatenango:

This is a special report from Radio Farabundo Marti for our sister station, Radio Venceremos of the FMLN. Today at 0200, FMLN revolutionary forces (?carried out) a military maneuver called "Long Live the Heroic Struggle of the Workers, Let Us Defeat Duarte's Submissiveness [Entreguismo]." The (Triumph) forces, consisting of the Felipe Pena Mendoza, Ernesto Morales, Adalberto Diaz, and the Rafael Aguinada Carranza Battalions, participated in this FMLN maneuver. At 0200 this morning, we launched an artillery attack on the two enemy (?positions) at the Cerron Grande Dam. The enemy troops at the dam belonged to the Cazadores Battalion from Chalatenango's Military Detachment No 1. At the same time, we attacked enemy positions near Monte Redondo, in the jurisdiction of Potonico, in Chalatenango Department. We also inform our people that we retained complete control of the Cerron Grande Dam as of 0545. We maintain that control.

We also report to our sister station that as part of our strategic "Long Live the Heroic Struggle of the Workers, Let Us Defeat Duarte's Submissiveness" maneuver, our revolutionary forces have been fighting enemy troops who tried to reinforce the Cerron Grande positions. We have been fighting on the Sensuntepeque-Ilobasco road. In these clashes, we surrounded six military trucks and recovered weapons and heavy artillery pieces [words indistinct]. We have also (?annihilated) a company and an enemy position. We have been fighting on the Ilobasco-San Pedro road, as well. These clashes are part of the strategic military maneuver [words indistinct] "Long Live the Heroic Struggle of the Workers, Let Us Defeat Duarte's Submissiveness " Did you understand this?

[Radio Venceremos announcer] We received it very well, companeros at Radio Farabundo Marti. Attention! Radio Venceremos continues to report to our people on the military actions that our people in arms are waging against oppression, and oligarchy and imperialism's plans to put chains on our homeland. Attention! The dictatorship, desperate and defeated by today's failures, has sent many contingents to the Cerron Grande Dam. However, we can report that our units stopped, repelled and annihilated the enemy troops. There was heavy fighting on the Ilobasco-San Rafael Cedro road, where our revolutionary forces recovered large numbers of weapons.

Attention! Preliminary reports indicate that the weapons seized include a 120-mm artillery piece. We repeat, a 120-mm artillery piece has been snatched away from the artillery units of the Army, which has sold itself to imperialism and which defends the rich oligarchs.

Attention! Radio Venceremos continues to report to our people. In the fighting against the dictatorship's forces, which have uselessly tried to advance on the Cerron Grande Dam, which supplies most of the energy for El Salvador, our troops annihilated an enemy Army company and a position held by that Army, defender of the antifatherland (antipatria), of exploitation, and of intransigence. FMLN forces have complete control of the Cerron Grande Dam and all of its installations. The civilian personnel and people in the area will be evacuated to Jutiapa.

Attention! All of the installations at the Cerron Grande Dam have been mined and the 5 November Dam is surrounded by our revolutionary forces. As a result, we demand that no enemy troops advance toward the area. The continued existence of the Cerron Grande Dam is now up to the Salvadoran Armed Forces General Staff. If they try to intervene, our revolutionary forces will completely destroy the dam. We repeat, if the puppet forces try to intervene, our military units will proceed to destroy the Cerron Grande Dam completely.

We do not want bombings or reconnaissance flights over the area. The continued existence of this dam is now up to the Salvadoran Armed Forces General Staff.

Jose Napoleon Duarte, the puppet, continues to fill his pockets with the millions of dollars sent by Reagan to massacre our people, but despite the fact that his dirty hands are full of imperialist money, puppet Duarte will not given the working class even one of the benefits they demand. Our workers and peasants are dying of hunger [word indistinct] in misery, while blustering Duarte won't even give them a single cent. For this reason, our people, the Salvadoran workers, are raising the weapons of liberty and national dignity, in order to achieve our final liberation and to support the strategic interests for which the working class, today more than ever, is fighting.

Attention! The dictatorship is failing in its attempts to advance. Two ambushes have been carried out on the Tejutepeque-Ilobasco raod. We repeat, Ramon Belloso Battalion troops, trained by the gringos, fell in an ambush on the Tejutepeque-Ilobasco road. Reports from San Salvador indicate that newsmen from San Salvador stations saw 30 Belloso Battalion troops enter the hospital, seriously wounded. Attention! A large number of casualties, including dead and wounded, have been inflicted on the dictatorship in the clashes that are under way on this day of victory.

Battalion 'Annihilated'

PA282001 (Clandestine) Radio Venceremos in Spanish to El Salvador 1830 GMT 28 Jun 84

[Text] Attention, attention: The FMLN has fulfilled all its objectives and has withdrawn from the installations of the Cerron Grande Hydroelectric Dam. It has annihilated a battalion of the genocidal Army.

We repeat: The FMLN has annihilated a battalion of the genocidal Army in today's military actions, which include the occupation of the Cerron Grande Hydroelectric Dam and ambushes conducted against various enemy positions. We have annihilated an enemy battalion.

Reports from San Salvador indicate that seriously wounded soldiers who are members of special battalions continue arriving in that city. We repeat: Soldiers from special battalions who have sustained serious wounds continue arriving at San Salvador's military hospital.

Operation Reviewed

PA290226 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Jun 84

[Excerpts] At 0200 this morning, our forces launched an operation of annihilation and sabotage against the Cerron Grande Hydroelectric Dam, and by 0545 had already taken full control of the installations; after only 10 minutes of fighting, we had annihilated the command post, containing national guardsmen. Later, in the course of several hours during which we fought the forces guarding that strategic position, we annihilated an entire Cazadores Battalion from Military Detachment No 1 in Chalatenango. We annihilated over 500 troops, led by 6 officers and 4 cadet lieutenants. While our units proceeded to annihilate the counterinsurgency battalion from Chalatenango, other units clashed with reinforcements that were trying to advance on the dam. The enemy forces moving from Sensuntepeque to San Isidro were stopped by the Ernesto Morales Sandoval Battalion, which annihilated a company and a full group [seccion] from the puppet Army, putting over 190 troops out of action. Our forces surrounded the reinforcements, destroying six military transport trucks and seizing an important number of weapons, including a 120-mm artillery piece.

Elsewhere, units from the Rafael Avinada Carranza Battalion clashed with enemy troops who were trying to advance from San Rafael Cedro to Ilobasco, inflicting heavy casualties on the enemy and seizing additional U.S. weapons from the dictatorship's Army.

Meanwhile, the Luis Adalberto Diaz Battalion stopped another enemy advance from San Vicente by the 5th Infantry Brigade on the Pan-American Highway, inflicting several casualties on the enemy forces.

In desperate efforts to avoid our takeover of the Cerron Grande position, the dictatorship dispatched the special gringo Ramon Belloso Battalion, which was successfully ambushed by our units between Tejutepeque and Ilobasco and suffered heavy casualities, both dead and wounded, as a result.

Having successfully attained our political and military objectives, the FMLN forces withdrew from the dam at 1200, having annihilated over 500 members of a reinforced Cazadores Battalion. We also ambushed and annihilated a company and a group from the puppet Army.

VENCEREMOS: HONDURAN ARMY REINFORCES BORDER POSTS

PA290114 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 28 Jun 84

[Text] Attention, your attention! The Honduran Army has reinforced its posts on the border with El Salvador's Morazan Department and is patrolling inside Salvadoran territory. We have been informed that the Honduran Army has reinforced its posts on the border with El Salvador's Morazan Department and that 200 soldiers have been deployed to the hill of El Alumbrador, which marks the border between El Salvador and Honduras. They have also deployed 500 soldiers to the Sabanetas customs post and 160 troops to Colomoncagua. We have learned that Colomoncagua [as heard] has also been reinforced with 300 more soldiers, meaning that there are more than 1,000 Honduran troops on the border. For the past 4 days, Honduran patrols have entered our territory from the hill of El Alumbrado and from Sabanetas; as a result, skirmishes with the revolutionary units guarding our border have occurred. Also, Honduran troops have fired 80-mm mortar rounds inside Salvadoran territory. The FMLN's units have maintained a purely defensive posture, because the FMLN has no desire to clash with the Honduran Army.

GUATEMALA

GENERAL SEES 'MILITARY CRISIS' OVER ASSEMBLY

PA280510 Panama City ACAN in Spanish 2222 GMT 27 Jun 84

[By Jose Bujanda]

[Excerpt] Guatemala City, 27 Jun (ACAN-EFE) -- Only 4 days from the constituent assembly elections in Guatemala, General Guillermo Echeverria Vielman, retired, in an open letter to the Guatemalan people, has revealed the existence of a military crisis.

"General Oscar Mejia's government is guided by political interests, for only this can explain the intransigent position it has taken toward possible sovereign acts by national constituent assembly," General Echeverria said in his letter. He added that the Army continues to be affected by the instability that has been felt since the March 1982 coup d'etat, "to the extent that no officer feels secure in his post." "The people," he stressed, "reject any act that threatens the future constituent assembly and the nation with a new coup d'etat, should the assembly try to impose its sovereignty and act outside of the functions and limitations that the military regime intends to impose on it."

Gen Echveirria, a renowned military officer whose criticism of General Efrain Rios Montt, the previous head of state (1982-83), contributed significantly to Rios Montt's downfall, declared that "the Army believes the assembly to be a genuine representative of the people, it will respect assembly decisions, on any subject." In addition, "the Army will act to guarantee the purity of the elections and will prevent any fraudulent maneuvers."

Gen Echverria's public letter constitutes a challenge to General Mejia and demonstrates that the Army is divided between those who wish to keep themselves in power and those who prefer the immediate appointment of a provisional president, political sources told ACAN-EFE today.

Meanwhile, official Army spokesman Colonel Edgar Djalma Dominguez told ACAN-EFE today that General Mejia's statements were preceded by high command meetings with all officers "and represent the unanimous feeling of the Army."

NICARAGUA

FURTHER REPORTAGE ON JESSE JACKSON'S VISIT

Ramirez Statement

PA290014 Managua Radio Sandino in Spanish 1830 GMT 28 Jun 84

[Excerpt] Following a meeting held this morning with Jesse Jackson by Sergio Ramirez Mercado, Commander of the Revolution Humberto Ortega, and other state officials, Sergio Ramirez revealed a nine-point document that was discussed with Senator [as heard] Jackson. Included in this document ar Nicaragua's willingness to form a mixed commission to resolve the problems with Honduras; its decision to continue talks with the United States, based on respect for our sovereignty and territorial integrity; its willingness to create new amnesty solutions for those counterrevolutionaries who lay down their weapons; and praise for the Salvadoran revolutionary forces' willingness to hold a dialogue with the Salvadoran Government, in search of peace in that country.

Nunez Remarks at State Council

PA290230 Managua Domestic Service in Spanish 1942 GMT 28 Jun 84

[Speech by Commander of the Revolution Carlos Nunez Tellez, president of the Nicaraguan State Council, welcoming U.S. presidential candidate Jesse Jackson at the State Council in Managua -- live]

[Text] Companero Sergio Ramirez, member of the Junta of the Government of National Reconstruction; Commander Humberto Ortega Saavedra, member of the FSLN National Directorate; companeros members of the State Council's board of directors' companeros of the Supreme Court; companeros of the Supreme Electoral Council; Rev Jesse Jackson; his family; members of his delegation; special guests; representatives:

Rev Jackson, you have told the U.S. people: Our current policies are unjust; North America is a democracy that was forged in a revolution. However, today in Central America we are opposed to the tide of national revolutions and support the elite against the people's protest.

Nicaraguan history has been a dark chapter in which the poor people prepared for their struggle. Tyranny and plunder, the inquisitor's pyre and the lords of the scaffold were the masters of life and property. (?Three hundred) years of colonial rule ended in 1821 when the sons of the former conquistadors proclaimed their independence from Spain, and a bloody period of civil wars followed in which the masters of the haciendas and owners of businesses attempted to solve their hegemonic problems at the cost of the blood of the poor, who were forced to fight under the banners of the landowners whom they served.

In 1855, William Walker, a southern adventurer commanding a group of filibusters who had decided to conquer not only Nicaragua but all of the Central American republics, landed on our shores. He proclaimed himself president by force and decreed the establishment of slavery.

It was Augusto Cesar Sandino who formed an army of poor landless peasants, unemployed craftsmen, laborers, natives, and Indians, and began an all-out war against the foreign occupation and the political sectors that had betrayed our national dignity.

Sandino then died at the hands of the occupation forces represented by Anastasio Somoza, who would continue to occupy the country as a foreign army would.

Nicaragua began to undergo a long and dark night, the darkness of the Somozist dictatorship. However, the struggle for liberation never stopped. From the wombs of the poor and the exploited, men with humble faces were born who would uncover the true face of Nicaragua.

The Sandinist revolution was born to give man back his lost and abandoned dignity. It gave man the chance to forge his own destiny and to be the builder of a reality reflecting the efforts of all of the people, who had stopped being slaves and had become free men.

These principles of the revolution and the joint efforts of the people and their vanguard have made it possible for Nicaragua to be sprinkled with schools and universities, health centers and modern hospitals, roads and paths; but above all, they have made it possible for man, the everyday citizen, the hard worker, the heroic mother, the fighting youth, the Christian revolutionary, the innovative technician, the efficient administrator, and the political activist, to become the sun whose warmth encourages the growth of a new society and a new Nicaragua.

The Sandinist people have chosen to join the ranks of those who deeply desire a society in which justice, freedom, equality, and fraternity reign. A homeland of light, as Sandino said, that actively develops its faith without undermining the political choices made by the poor. We must say that the revolution does not support a policy of confrontation with the church, but has in fact defined a policy of direct and frank relations, with the firm purpose of uniting efforts to reconstruct our country, which has been devastated by 159 years of plunder, repression, and dependence.

We believe it is important to mention that at the time when the Sandinist Front was fighting to liberate the country from Somozist yoke, there were Catholic priests and Protestants who embraced the cause of national liberation. The example of men like them and many others who embraced the people's cause is the best evidence we can present to the world of the relationship between revolution and religion.

We must establish a clear difference between he who chooses to work with the poor man's decisions and he who uses his position as a minister of the Word to destabilize and defeat the historic program that we began and continue to develop today.

Rev Jackson, you have told the U.S. people: Our current policies are imprudent. The administration thinks that the revolutions in Central America are part of a campaign sponsored by the Soviets and the Cubans to bring the region within the Soviet orbit. This is a mockery of the truth. All wise observers agree that the area revolutions are of indigenous origin and that the revolutionary movements are unyielding in their clamor for justice.

An issue that has produced heated international debate was that involving the Indian communities on Nicaragua's Atlantic coast. It was an issue that caught the attention of the media as no issue had before, and it continues to be used as an argument to distort the unified nature of entire nation and the right of all Nicaraguans to the welfare and benefits achieved by the revolutionary process.

We are speaking of the Miskitos, Sumus, Creoles, and Ramas, who were part of the indigenous masses of America who were exploited, oppressed, and subjected to extreme poverty and neglect until the triumph of the revolution.

The Somozist dictatorship never paid much attention to these people, reducing them to the lowest level of humanity and using them as beasts of burden and manipulating them politically and spiritually. In view of the misinformation campaign on the real status of the indigenous communities and given the fact that these communities have been subjected to political maneuvers intended to create differences between them and the government, we proclaimed the Declaration of Principles of the Sandinist People's Revolution in the Indigenous Communities of the Atlantic Coast on 12 August 1981, stating that all citizens in Nicaragua have the same rights, regardless of race or religion. It also states that the revolution will fight against all forms of racial, linguistic, and cultural discrimination in our territory.

Rev Jackson, it is a great honor to have among us a man, a politician, a religious man who defends the poor, and a delegation that raises the banners of peace and peaceful coexistence among nations. You have emerged into public life as one who follows that unforgettable struggler for civil rights in the United States, Martin Luther King, and you have come here to deliver a message that reflects the true feelings of the U.S. people.

Nicaragua reaffirms lits willingness to engage in dialogue with the U.S. Government in search of a peaceful, negotiated, and political solution to the problems that affect the Central American region. Our stance does not mean, however, that we renounce the principles that are the foundations of the revolution. We seek coexistence with other nations, including the United States, but without sacrificing the revolution or its sovereignty.

Rev Jackson, as the genuine representative of the U.S. people, as a man who desires peace, who struggles for continental fraternity among our peoples, who expresses the hopes of his people and shares their vision of a new community, welcome to Nicaragua and to this State Council. We firmly believe that you shall be the bearer of the hopes of the Nicaraguan people, who want peace and who are engaged in an undeclared war by the current U.S. Administration in their effort to achieve it.

Take to your people the wishes of the Nicaraguan people to keep the peace they won. Tell your people that we want to see peace return to Central America. Thank you. [applause]

Departs for Cuba

PA282152 Paris AFP in Spanish 2113 GMT 28 Jun 84

[Text] Managua, 28 Jun (AFP) -- U.S. Democratic Party candidate Jesse Jackson left Managua at 1450 en route to Cuba, after concluding a "peace tour" through Central America and the Caribbean. Nicaraguan junta member Sergio Ramirez Mercado, members of the opposition, and church officials saw him off at the airport as he ended his 24-hour visit to Nicaragua.

Jackson will stop in Cuba to pick up a group of more than 20 prisoners that the Cuban Government released, and will then go on to the United States.

In the last several days, the black leader visited Panama, El Salvador, Cuba, and Nicaragua. He proposed that the Central American and Caribbean heads of state meet with the guerrilla groups to negotiate regional peace.

ORTEGA ON EAST EUROPE TOUR, JACKSON, U.S. TALKS

PA290033 Managua Radio Sandino Network in Spanish 1200 GMT 28 Jun 84

[Text] Commander of the Revolution Daniel Ortega Saavedra, coordinator of the Junta of the Government of National Reconstruction, ended a rapid tour of several socialist nations in Prague yesterday. Daniel offered us a brief review of his visit to the USSR, the GDR, Bulgaria, Poland, Hungary, Romania, and Czechoslovakia in a telephone conversation:

[Begin Ortega recording] First, I would like to say hello to the heroic Nicaraguan people, particularly to the fighters who are at the front defending our country's territorial integrity and sovereignty from the imperialist aggression.

We are in Prague, ending our quick visit to the socialist community. As you know, we have attended many meetings during our 1-day stops in each nation. We have visited the USSR, the GDR, Bulgaria, Poland, Hungary, Romania, and Czechoslovakia. We have come to reaffirm the sovereign rights of the Nicaraguan people and revolution, to defend our relations with the countries of the socialist world. It is a policy of the Nicaraguan revoluion to maintain relations with all of the world's nations, particularly those nations that have offered unconditional cooperation to Nicaragua. The socialist nations have given Nicaragua such cooperation. [end recording]

Commander Daniel Ortega said that the visit by Jesse Jackson, Democratic presidential candidate, was very important, because Jackson could see for himself the effects of the state terrorism practiced by the Reagan administration:

[Begin Ortega recording] We believe that Jesse Jackson's visit to Central America and the Caribbean is very important. His position on the current U.S. Administration's policy toward Central America, particularly toward Nicaragua, is well known. The visit permits Mr Jackson to familiarize himself with the effects of the Reagan administration's policy of state terrorism. [end recording]

Daniel also spoke about the talks between Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco and U.S. special envoy Harry Shlaudeman. He warned against false hopes on the initiation of a dialogue that could establish the foundations for negotiation between Nicaragua and the United States:

[Begin Ortega recording] We have repeatedly warned the Nicaraguan people and the world public against building false hopes on the initiation of a dialogue that could establish the foundations for negotiations. It is premature to speak about negotiations. We are speaking of talks, an exchange of ideas that might establish the foundations for negotiation. So far, the United States has not showed the willingness to negotiate. It seems so far that they are undertaking a publicity stunt, because they are continuing their policy of criminal aggression against the Nicaraguan people in terms of actions, and what is worse, they dare to defend this policy in open defiance of the ruling by the International Court of Justice, which ordered precautionary measures implying that the United States must stop its attacks on the Nicaraguan people. However, as we known, the United States has continued to attack the Nicaraguan people in defiance of the ruling by this high court.

Therefore, we feel that we must not build false hopes. We are compelled to talk and to try to find a just and honorable solution through negotiation, in which the United States must respect the Nicaraguan revolution and its basic principles. With that in mind, a serious dialogue can be established that might lead to negotiation. However, they must stop the escalation of aggression against the Nicaraguan people immediately.

Once more the United States is being put to the test, to see if it is really interested in seeking a negotiated solution or if this is just another publicity stunt because their elections are approaching. [end recording]

Asked about the U.S. banks' decision to increase their interest rates, Commander Ortega said that the decision damaged the Latin American peoples and their governments' policies. He said that Latin America, today more than ever before, must counter its creditors with determination and unity:

[Begin Ortega recording] This move is contrary to the interest of the Latin American peoples and their governments' policies. It is a very egotistical decision, which reflects the Reagan administration's hegemonistic economic and military policy. This policy favors the arm race and is imposing an economic situation on the world that is hurting banks, governments, and countries. Its consequences are being felt by the Latin American peoples. We believe that the Latin American governments have no alternative but to take decisive and united actions to effectively confront their creditors. [end recording]

We have just heard a statement by Commander Daniel Ortega from Prague. Yesterday he ended a tour of the socialist nations at the head of a Nicaraguan delegation that included Planning Minister Commander Henry Ruiz and Foreign Minister Miguel D'Escoto Brockman.

WHEELOCK URGES ALERT FOR UPCOMING 'OFFENSIVE'

PA281601 Managua Radio Sandino in Spanish 1830 GMT 27 Jun 84

[Text] Commander of the Revolution Jaime Wheelock Roman, member of the FSLN National Directorate, has urged the 374,000 inhabitants of Nicaragua's 6th Region -- Jinotega and Matagalpa -- to be on a war footing to counter the upcoming military offensive being prepared by the counterrevolution. This call to action will not stop the aggressors or the counterrevolution because as long as imperialism and the Sandinist people's revolution exist they will continue, said Wheelock in Apanas during a ceremony that launched commemorations of the fifth anniversary of the revolution in that area.

Several days ago military leaders of the Sandinist People's Army reported that some 3,000 troops in Honduras are readying themselves to reinforce the forces that entered Nicaragua some months ago and suffered heavy losses. The revolutionary leader added that several economic targets were attacked this week, including six cooperatives and nine production units, while several producers in northern Nicaragua were murdered. The counterrevolutionaries are spread across the extensive border areas of Jinotega Department and exercise control over some sectors of the population, the Sandinist leader explained. This responds to the fact that the revolution's achievements have not reached the inhabitants of those areas, he said, adding that the revolutionary government has not been able to offer those people all the services it would like. The government has declared the Departments of Jinotega and Matagalpa priority areas in view of counterrevolutionary aggressions.

FURTHER REPORTAGE ON JACKSON TRIP, MEETINGS

Castro Comments

[Editorial Report] Havana Television Service in Spanish at 0008 GMT on 29 June broadcasts live coverage of the farewell ceremony for U.S. presidential candidate Jesse Jackson at Havana's Jose Marti International Airport.

As coverage begins, the camera pans the tarmac in front of the terminal building where a large crowd is assembled. Cuban President Fidel Castro and Rev Jesse Jackson are seen walking toward the airliner. As they reach the ramp, Jackson and Castro are seen addressing the reporters assembled around them. The announcer states that because of the distance it is impossible to pick up their remarks. Jackson and Castro are seen walking back toward the crowd assembled on the tarmac. Jackson waves to the people who shout his name and unintelligible slogans. Castro bids farewell to Jackson and his entourage and walks back to the terminal. Before entering the building, Castro chats with reporters. As the camera and microphone approach, Castro is heard to say: "Jackson's visit had a great impact on the population. Yesterday's speech was impressive. Not only did I hear it at the auditorium [of the University of Havana], I also heard it on television. Tomorrow it will be published in its entirety, just as the press conference was published.

"We felt that the Marielitos affair should have been taken up at some point in the future, but that was another matter raised by him which he felt very strongly about. We did not want to discuss it because we did not want it to become a political issue. Something like this in the midst of elections could obstruct a serious discussion of the matter. But he brought it up and I said: If you in the opposition agree to this, then we are willing to discuss it. Our concern is that the elections should not interfere in something as serious as this. We are serious about this and would like to discuss matters dealing with immigration regulations and the Mariel issue. We are willing to discuss it to seek solutions.

"But this was not the right time because it could become a controversial election campaign issue. But if we can remove this danger, we can hold discussions as it is also of interest to the United States. Jackson strongly supports this, a solution to these problems. It was one of the points on which he insisted.

"The visit to the Methodist church was delightful for me. It was very impressive."

A reporter asks if the group of prisoners includes those who have not been granted visas since 1968.

Castro responds: "That problem was raised. Many were released by us believing -- and there were talks about that at the time -- that visas were going to be granted. Some of them have been unable to get visas."

A reporter asks about the moral offensive, to which Castro responds: "I believe it is very strong, because Jackson's strength is moral. As you know, moral strength has won great battles throughout history. Christianity was a moral force, and how many battles did it wage and win? I believe, and I am sure now, that moral values have a tremendous weight, a growing influence as well."

A reporter asks if any gestures can be expected from the U.S. Administration. Castro responds: "So far indications are that they have cooperated in the departure of the prisoners. They granted the visas, which was the requisite we had demanded. We did not demand it but made the request. We said we would release them -- they are very recalcitrant, enemies of the revolution -- we said that if they granted the visas, we would release them. We asked them for their cooperation by granting the visas. The government agreed to grant the visas.

"There was a problem of transportation because not all of them could make it -- there are some 50 individuals in addition. There was no room for all on the plane. Jackson asked if we would give them a plane and we agreed. The U.S. authorities also granted permission for our plane to land. So far there has been cooperation. I do not know what the reaction will be. Some people have insinuated -- logically Jackson's trip has been very successful... [leaves thought unfinished]. His tour of Central America and Cuba has been very successful because of his persuasive ability, his moral strength, his peace policy. It has been a successful mission. Perhaps some might feel uncomfortable with it. Some might have said it was a publicity ploy. There was no publicity in this. That is absurd. There was no plan to talk about counterrevolutionary prisoners, but he had an open agenda to talk about anything.

"Many people approached him, families approached him on this issue.

"Even during the final meeting, which lasted hours, everything was not covered. When I mentioned this matter during the press conference, we were still considering it. No decision had yet been reached."

A reporter asks if Jackson's visit marks the beginning of a new phase. Castro responds: "I believe -- I do not know about the effect in Latin America -- it will have some influence in Central America and, in general, it will have an impact internationally. I believe this. For us, it has been a very direct contact with the American people. Jackson brought with him a very representative delegation. In my judgment they represent the best of the American people. There were representatives of churches, representatives of millions of U.S. church members. There were representatives of U.S. minorities, and representatives of a significant part of U.S. public opinion. We cannot forget that Jackson received 20 percent of the ballots in these elections -- what do they call them, primaries?

"I can explain it now. I did not know him personally. I knew him through the press. He is a great personality, a brilliant man with a great talent, capable of communicating with people, very persuasive, reliable, honest. Jackson's main characteristic is honesty, in my opinion. He is sincere and courageous. There is not a single bit of demagoguery in his conversations. He does not fool around. In addition, he treats everybody very nicely. I was able to observe that. In all the hours he was here, there was not a single instance when he forgot his comrades, introducing everyone, taking care of all of them, speaking to all of them. He had an excellent manner in dealing with all members of the delegation. He had the same approach with all reporters, I mean with everyone. He greeted everyone he met. But his main characteristic is honesty, sincerity. There is nothing more remote from Jackson's mind than demagogy. He is very courageous. He is the most honest, courageous politician I have ever met. He has a great personality, an extraordinary personality. He is most unusual."

A reporter asks if Castro would return to the United States, that his last trip was 3 years ago.

Castro responds: "Well, I said during the press conference that it all depends on the circumstances. It is something that has to be examined carefully. Such a decision cannot be made lightly when one considers the tense relations existing between the United States and Cuba."

A reporter says that Jackson's visit demonstrates that anything can be achieved with Cuba peacefully. Castro responds: "That is definitive. In addition, it is the only way to attain anything with Cuba, with peace, not force."

A reporter asks what would be the impact of Jackson's visit on the American people. Castro responds: "I cannot predict that. I have no idea what coverage it has been given. I have seen in a newspaper, even a Miami daily at that, that an objective report had been published. But I have not seen any negative reactions. I believe they could surface. I believe there are persons who are not interested in seeing success for Jackson's policy of peace and friendship. Logically, I am trying to go over everything I have seen. There have been some slanderous statements that claim it is a publicity stunt.

"However, this is the most honest, sincere, authentic man anyone could ever meet. He is courageous, he has tremendous courage. This can be measured by the impact his remarks have had on the population. It has been impressive. His speech at the university -- not only did I hear it there, I also heard it on television much better. It will be published tomorrow in its entirety. It had a great impact on our people. Our people have a very great political culture, a great awareness. They are revolutionary people.

"In order for remarks to influence them -- our people know whether there is a demagogy or not, because they are well educated in the reliability of pronouncements, in their sincerity... [leaves thought unfinished]. Our people can find a demagogue 1,000 miles away. They know when they have met an authentic, honest man, a progressive man, they know when they have found one. Jackson's message reached all the people. It was a great opportunity to be able to listen to him. He is a brilliant orator who not only makes profound statements, but makes them very beautifully, very directly."

A reporter refers to the candidates running for the U.S. presidency and mentions Reagan, Mondale, and Jackson as candidates. Castro responds: "I have already said I do not want to get involved in U.S. internal politics. I do not want to get involved in that."

A reporter asks about the possible release of more counterrevolutionary prisoners if there is an exchange of ambassadors. Castro responds: "In this tense situation between the United States and Cuba, it is very difficult for us to release the counterrevolutionary prisoners. They have a very hostile attitude toward us. They [the prisoners] are enocuraged by U.S. aggressiveness. For us to reach a decision such as this one liberating 26 prisoners, who are bitter enemies of the revolution, can only be seen under these circumstances as an exceptional gesture on the part of Cuba."

A reporter suggests that Jackson's political courage could be harmful to him, that something could happen to him. Castro responds: "I believe that when one has a strong moral attitude, a just attitude, and a great ability to communicate with the people, the risks are minor, that is, in campaigns against him. He has the ability to communicate directly with the American people. He has a great persuasive ability and defends very just positions. I do not believe it could do him any harm."

A reporter asks a question and Castro answers: "I do not know them. We have to wait. I believe it will be so, because Jackson has made a great effort in support of the Contadora Group. This visit was spontaneous, it was not planned. He said he wanted to tour Central America and was willing to visit Cuba. When we learned about it, we extended the invitation, just a few days ago. This was not planned."

As the plane's engines are heard, Castro's chat with the reporters ends. The aircraft takes off at 0055 GMT. The announcer reports that Jackson's plane is being followed to Washington by a Cuban Airline plane carrying former Cuban prisoners.

Praises Jackson

FL281142 Havana Television Service in Spanish 0000 GMT 28 Jun 84

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, today attended a ceremony in honor of the martyr of the U.S. black movement, Martin Luther King. Jesse Jackson, candidate for the Democratic nomination for president of the United States, also attended the ceremony, which was organized by the Ecumenical Council. Jackson spoke in favor of peace and political negotiations.

Commander in Chief Fidel Castro spoke during the activity and stated: I join with all my heart this well-deserved homage to the illustrious and heroic figure of the U.S. people, Martin Luther King. Fidel also referred to the visit by Rev Jesse Jackson:

[Begin recording] [Applause] [Castro] I want to remind you in these very brief remarks of the very profound impression that Rev Jesse Jackson has made on all of us, because of his honesty, his talent, his sincerity, his honor, and the profound passion with which he fights for peace and friendship among the peoples; with which he fights for better relations. And I consider him an extraordinary spokesman of the highest ideas of Christian thought. [applause]

At the same time, I would like to express the profound impression he is making on us for his extraordinary political and moral bravery. [applause] Only a man of his character, with his moral and political courage would have been big enough, in the midst of so many campaigns of lies, in the midst of so many (?pressures), to visit our country with no fear at all and peacefully and amicably meet with us and our people.

For this reason, I believe there is, in one phrase, a conception of Jackson. Not only is he a representative symbol of Christian thought, but he is also, in my opinion, the bravest of U.S. politicians. [applause] It has been a great honor and a great pleasure to have accompanied you this afternoon. Thank you very much. [applause] [end recording]

Isle of Youth Tour

FL282137 Havana Television Service in Spanish 0000 GMT 28 Jun 84

[Text] The people of the Isle of Youth today gave a cordial welcome to Jesse Jackson, a candidate to the presidential nomination of the U.S. Democratic Party. Education Minister Jose Ramon Fernandez accompanied the U.S. delegation headed by Jackson during the tour of that special municipality.

A large crowd assembled at the Nueva Gerona Airport to welcome the black U.S. Civil Rights leader. Upon arrival at the air terminal, Jesse Jackson was met by Armando Manresa, first secretary of the party in the municipality, and other leaders of the party and government in that territory. The distinguished visitor was also welcomed by Cuban and foreign students attending school on the Isle of Youth.

During his tour, Jackson and his delegation visited the Carlos Fonseca Amador Basic Secondary School in the Countryside [ESBEC], where Nicaraguan youths are attending classes. The 432 Angolan students of the (Ceidi Vieira) ESBEC were also visited by Jackson. The Cuban education minister and Jackson made short statements at the schools.

[Begin Fernandez recording] Rev Jackson has been invited to tour several schools on the Isle of Youth. This visit will end this morning's tour. It is a very great pleasure for me to introduce him to you. He will make a brief speech. Here is Rev Jackson. [end recording]

[Begin Jackson recording] Good morning. Your source of courage is a source of inspiration. Our delegation comes from North America so we are freedom fighters. None of us are free until all of us are free. Your struggle is our struggle. Keep fighting! Stand tall! Never turn back! [applause] [end recording]

HAVANA CITES JACKSON REMARKS IN NICARAGUA

FL281552 Havana Domestic Service in Spanish 1402 GMT 28 Jun 84

[Text] Jesse Jackson, aspiring democratic candidate for the U.S. presidency, has said in Managua that Ronald Reagan's government neither has the right to mine the Nicaraguan ports nor to try and overthrow the Sandinist revolution.

Speaking at a ceremony held at the Nicaraguan Ministry of Interior, Jackson warned that the United States must respect the territorial sovereignty of all nations. The civil rights leader stated that he did not travel to Nicaragua representing the Reagan government, but representing the American people who want peace. Jackson said that his mission to Central America must be propelled by a moral offensive and imperative which will force a reduction in military expenditure, and then use the resources to eliminate poverty, ignorance, and sickness.

In his speech Jackson said that the United States must choose between using negotiations or confrontation. He said the United States should not carry out military maneuvers or mine ports, but develop a foreign policy based on mutual respect and peace negotiations. Reverend Jackson stressed that efforts must be made which will favor the human race instead of the arms race. He added that the IMF should not be allowed to let nations go bankrupt. Referring to Nicaraguan Interior Ministry combatants, Jackson encouraged them to stand firmly and not allow anyone to break their fighting spirit in the defense of independence and national sovereignty.

U.S. RESOLUTION ON CUBAN 'EXPANSION' VIEWED

PA281257 Havana International Service in Spanish 0000 GMT 27 Jun 84

[Station commentary]

[Text] Last week the U.S. Senate approved a proposal for a resolution presented by Republican Party member Peter Symms. This is another effort to legitimize future U.S. interventionist adventures in Central America and the Caribbean.

The declaration, for which 73 senators voted "yes," states that the United States is bent on preventing by force the expansion of the Cuban influence on the American continent.

The arrogant amendment literally says that the United States is willing to prevent, through any means necessary, including force, Cuba's Marxist-Leninist regime from extending its aggressive or subversive activities to any part of the American hemisphere, whether by force or the threat of force.

The text of this resolution, which is to be analyzed by the entire Congress, is very similar to the so-called Symms Amendment approved more than 2 years ago. This amendment was then deemed the new version of the repudiated Monroe Doctrine which, according to the Santa Fe document or 1980 Republican platform, is the historical cornerstone of the U.S. policy for Latin America.

Cuba has been presented as the continent's aggressor, extending throughout Latin America and waiting to impose communism in the region. But the Yankees can no longer deceive anyone. Peoples and governments of the continent have slowly begun to realize which country is the aggressor. The Malvinas and Grenada cases are two of the most recent demonstrations of this.

The fact that the United States is the real aggressor of the American peoples is not news. A day before he died on 18 May 1895 Cuban national hero Jose Marti said that with his action for Cuba's and Puerto Rico's independence he was trying to prevent the confused and brutal North from extending through our America.

The 20th century has been marked by the interventionist policy of U.S. imperialism in Latin America. The military occupation of the Dominican Republic, Haiti, Panama, Guatemala, Nicaragua, and Cuba shows clearly who has been the aggressor all the time. The current economic crisis in the continent has very clearly defined the U.S. blackmail policy, particularly regarding the foreign debt and interest rates. There is really a single aggressor in this continent -- U.S. imperialism. Reagan has just received a Senate letter of marque that will allow him to intervene militarily anywhere in the continent where U.S. interests are in danger.

Of course, Reagan does not need such endorsement because all of us remember that when he determined to invade Grenada he did not take the Congress into consideration, and that he mocked the freedom of the press by preventing U.S. journalists from traveling to the island. We will not be taken by surprise by the U.S. threats of aggression. We Cubans have been getting ready, since long before Reagan arrived at the White House, to victoriously wage a general war, with the Cuban people, against any invader.

The Santa Fe document, the Republican Party platform in 1980, said that Cuba, despite its small size and insignificant resources, has become the United States' most formidable enemy in the hemisphere, and that Havana must be made to pay a price for such activities. But imperialists must take reality into consideration. Revolutionaries do not fear the risks and sacrifices implied in the U.S. threats. When peoples are denied the right to use legal means they have no other choice than to seek liberation through armed action. Every people wage this war in accordance with its characteristics. As Castro said on 1 January this year, Cuba cannot export revolution and the United States cannot prevent revolution.

EL SALVADOR'S D'AUBUISSON ON U.S. VISIT

PA271722 Havana International Service in Spanish 1800 GMT 26 Jun 84

[Text] Roberto D'Aubuisson, leader of the extreme right-wing Salvadoran Nationalist Republic Alliance, has arrived in Miami on a private visit that includes meetings with several congressmen. D'Aubuisson, who was invited by Republican Senator Jesse Helms, will travel to Washington tomorrow where he will meet with members of the Senate and attend a reception in the Capitol. The White House has refrained from commenting on Major D'Aubuisson's participation in a plan to attempt on the life of U.S. Ambassador to El Salvador Thomas Pickering, as the newspaper THE NEW YORK TIMES recently reported. The Salvadoran rightist leader has on several occasions denied his involvement in the plan. D'Aubuisson has made vehement accusations against Pickering, charging that he supported the election of the current Salvadoran president, Christian Democrat Napoleon Duarte.

CASTRO SENDS CONGRATULATIONS TO MOZAMBIQUE

MB281047 Maputo Domestic Service in Portuguese 0800 GMT 28 Jun 84

[Text] Fidel Castro, first secretary of the Cuban Communist Party Central Committee and president of the Councils of State and Ministers of the Republic of Cuba, has sent a message of congratulations to President Samora Machel on the occasion of the ninth anniversary of the proclamation of the People's Republic of Mozambique. In his message, Commander Fidel Castro underlined the benefits of our armed struggle for national liberation which has resulted in the liberation of other fraternal peoples in southern Africa. President Fidel Castro reiterated the Cuban people's willingness to strengthen further the relations of friendship and cooperation between the two countries' parties, governments and peoples. On the occasion of this historic date for the Mozambican people, President Samora Machel has also received congratulatory messages from President Abdou Diouf of Senegal, King Juan Carlos I of Spain, President Hafiz al-Asad of Syria, and King Baudouin I of Belgium.

C.R. RODRIGUEZ ON CENTRAL AMERICAN CONFLICTS

FL281848 Mexico City NOTIMEX in Spanish 2235 GMT 26 Jun 84

[Text] Mexico City, 25 Jun (NOTIMEX) -- Cuba's Vice President of the Councils of State and Ministers Carlos Rafael Rodriguez has written in an article that Cuba's positon on Central America's conflicts favors using the Contadora Group to find a negotiated solution. Rodriguez's article, published today in EL DIA newspaper and will also be published in the next Spanish edition of LE MONDE DIPLOMATIQUE, clearly states Cuba's position on Central America's problems.

Rodriguez said there is universal hope for resolving these problems through dialogue and not through military confrontation. He said Cuba has given its support to the Contadora Group and to those Latin American governments that want negotiated solutions.

He added that the world realizes that the Central American problem did not originate in an East-West confrontation but in backwardness, poverty, and unacceptable social inequality which the people will not tolerate any longer.

After carefully analyzing the correlation of forces seeking political solutions in Central America, Rodriguez said Cuba supports the Contadora efforts without necessarily supporting all of its objectives.

The Cuban official said Cuba contends that the Contadora member nations should increasingly act with more energy and dynamism. He stressed that these nations have the necessary moral and international support.

He indicated that El Salvador's problems are basic to Central America's problems and that the Contadora Group will have to incorporate this into its policies.

Rodriguez said Cuba has pointed out that serious negotiations by the Contadora Group should establish mutually guaranteed bases, which are indispensable for the area, and that a dialogue should fulfill several conditions. The first condition would be for Washington to stop using military force and imposing its decisions through direct intervention or by military or economic support to Honduras and El Salvador.

After stating that the military maneuvers near Nicaragua's border are a precursor to direct action, Rodriguez said Contadora should lead the United States to assume obligations and responsibilities without which an arrangement cannot come about between the United States and Central America. He said Cuba does not deny its militant solidarity with democratic forces in Central America and as long as Nicaragua is threatened, it can count on Cuban support. He added that Cuba is also obligated to support the Salvadoran guerrillas.

Cuba is ready to respect any compromise that might come out of Contadora negotations on Central America as well as decisions made by the Central American democratic and revolutionary forces.

At the moment peace agreements acceptable to the Salvadoran guerrillas are reached, Cuba will respect them, just as it will respect any agreement made by Nicaragua calling for the withdrawal of Cuban military advisers. Finally, the article says that Cuba will never obstruct anything that supports or might lead to peace through democratic solutions by the people in Central America.

MONTANE IN HUNGARY, HOLDS TALKS WITH KADAR

FL282229 Havana Television Service in Spanish 1700 GMT 28 Jun 84

[Text] In Budapest, Janos Kadar, first secretary of the Hungarian Socialist Workers' Party, has received Jesus Montane, alternate member of the Politburo and member of the Secretariat. The Cuban leader arrived in Hungary on a working visit. During the meeting, the two leaders exchanged informationon economic advances recorded by the two countries. They also discussed aspects of the international situation and the need for creating a climate of peace in the world.

Further Report

LD281822 Budapest MTI in English 1729 GMT 28 Jun 84

[Text] Budapest, June 28 (MTI) -- A delegation, headed by Jesus Montane, alternate member of the Political Committee of the Cuban Communist Party CC, and Secretary of the Central Committee, [title as heard], paid a visit to Hungary June 24-28 on the invitation of the Hungarian Socialist Workers' Party Central committee. Jesus Montane met Janos Kadar, first secretary of the Hungarian Socialist Workers' Party. The delegation held talks with Ferenc Havais, member of the HSWP Political Committee, and Matyas Szuros, secretary of the Central Committee. The parties gave briefs on results and tasks in socialist construction work, exchanged views on the international situation, and some topical issues of the international of relations between the HSWP and the Cuban Communist Party. Jesus Montane met Peter Varkonyi, foreign minister, Janos Berecz, editor-in-chief of "NEPSZABADSAG", and Gyula Horn, head of department at the HSWP CC. The delegation left Hungary Thursday.

HAVANA HOSTS CEMA-MEXICO COOPERATION MEETING

FL282249 Havana Domestic Service in Spanish 1806 GMT 28 Jun 84

[Text] The fifth meeting of foreign trade experts of the CEMA-Mexico Joint Cooperation Committee began today at the International Hall of the Foreign Trade Institute. The welcoming remarks to the participating delegations were made by Cuba's Vice Foreign Trade Minister Jose de la Fuente. He noted that knowledge of our economies makes expanding trade possible during the present difficult situation of the world economies. De la Fuente said the meeting of foreign trade experts demonstrates that when there is the will, it is possible for countries with different political and economic structures to march together on the path of international cooperation toward the integration of their economies with equality, justice, and benefits for all.

LLOMPART RECEIVES ITALIAN UNDER SECRETARY

FL282341 Havana Domestic Service in Spanish 1808 GMT 28 Jun 84

[Text] Hector Rodriguez Llompart, minister president of the State Committee for Economic Cooperation, today received Susanna Angelli, Italian under secretary for foreign affairs, and president of her country's delegation to the third joint meeting for economic and industrial cooperation between Italy and Cuba. Rodriguez Llompart, who is also member of the Central Committee, agreed with the visitor in voicing satisfaction over the results of the talks concluding today. At the conclusion of the meeting the two sides will sign a protocol. Susanna Angelli was received by Cuban Foreign Minister Isidoro Malmierca earlier in the day. Malmierca briefed her on Cuba's economic development.

CAPE VERDE'S PRIME MINISTER MAKES VISIT

FL271344 Havana Television Service in Spanish 1220 GMT 27 Jun 84

[Text] Pedro Pires, assistant secretary general of the African Party for the Independence of Cape Verde [PAIGC] and prime minister of Cape Verde, will arrive today, Wednesday morning, invited by Commander in Chief Fidel Castro, first secretary of Cuba's Communist Party and president of the Councils of State and Ministers.

The African leader is heading a high-level delegation which includes Commander Carlos Reis, member of the PAIGC National Council and assistant minister to the prime minister, Ireneu Gomes, minister of health and social affairs, and Carlos Vasconcelos Franca, secretary of state for finance. Also included in the delegation are Renato Cardoso, one of Pires' aids, Manuel Delgado assistant to the foreign finance minister, and Humbero Morai, general director of coasts and ports. The people of Havana, representing all of Cuba, will give a warm and fraternal welcome to the distingusihed African guests. The welcoming ceremony will be transmitted by Radio Rebelde, Tele Rebelde, and Radio Havana's international broadcasts.

Report on Arrival

FL271457 [Editorial Report] Havana Television Service in Spanish at 1358 GMT on 27 June broadcasts live from Havana's Jose Marti International Airport, the arrival of Cape Verde Prime Minister Pedro Pires, who is visiting Cuba at the invitation of Fidel Castro.

Cuban television announcer Manolo Ortega, over still photo of Pires, announces aircraft arrival. Camera shows arrival and landing of Aeroflot aircraft. Pires leaves the airplane at 1402 and is greeted by Commander of the Revolution Juan Almeida, who also greets each member of the Cape Verde delegation: Carlos Reis, Minister of Health and Social Affairs Ireneu Gomes, and Secretary of State for Finances Carlos Vazconcelo Franca, and others. Pedro Pires and Juan Almeida, stand together as military reception ceremony begins. Camera pans crowd, returns to Pires and Almeida in close-up as artillery salvos are fired.

Camera pans to flags then back to Pires and Almeida, standing now with entire Cape Verde delegation. At the conclusion of the 21 salvos and the two national anthems, Pires and Almeida review the honor guard, commanded by Lieutenant Colonel Guerrero Ramos.

Pires then greets Politburo members who have gone to the airport to receive him, including Carlos Rafael Rodriguez and Pedro Miret, officials of the People's Government, representatives of state organizations, diplomatic corps members, etc. Wide shot shows mass of Cubans waving banners, then pans to Pires and Almedia, who return to position to view the honor guard parade, which begins at 1411. The parade concludes at 1413, at which time Pires and Almeida, Carlos Rafael Rodriguez, and Pedro Miret get into waiting automobiles and are driven off.

Pays Tribute to Jose Marti

FL282220 Havana Television Service in Spanish 1700 GMT 28 Jun 84

[Text] Pedro Pires, assistant secretary general of the African Party for the Independence of Cape Verde and that country's prime minister, has paid tribute to our national hero Jose Marti. Pires laid a floral wreath at the foot of the Marti Monument in Revolution Square. Pedro Pires was accompanied by Jaime Crombat, member of our party's Secretariat.

PRELA ON 'COUNTERREVOLUTIONARY' NICARAGUAN PRIEST

PA280432 Havana International Service in Spanish 1800 GMT 27 Jun 84

[By Luis Cabrera, PRELA correspondent in Nicaragua]

[Text] Managua -- Catholic priest Luis Amando Pena, who was involved in counterrevolutionary activities and in the establishment of an internal front, may stay at the National Seminary building while legal action proceeds and while his case is submitted to the Anti-Somozist People's Tribunal. This statement was made by Tomas Borge, commander of the revolution and interior minister, at a ceremony commemorating the 48th birthday of Commander Carlos Fonseca, leader of the revolution.

Addressing thousands of Sandinist Defense Committee members at the Gonzalez Theater in Managua, Commander Borge presented additional evidence against Father Pena that contradicts the priest's testimony and proves that he is being dishonest.

The evidence presented on television definitely incriminates Father Pena. According to the priest, on Wednesday, 20 June, a person asked for a ride in his car and then handed him a bag for delivery to another person somewhere in Managua; he said that when he was arrested by the police he did not know what was in the bag.

The videotape presented by the Interior Ministry shows Father Pena receiving a briefcase in his parish on Sunday, 17 June, delivered to him by a counterrevolutionary called El Pez, which he kept until Wednesday, 20 June when he left the parish with the bag, containing explosives and FDN [Nicaraguan Democratic Force] counterrevolutionary propaganda, which he was supposed to deliver to a mercenary. Nicaraguan Interior Minister Borge showed the evidence to Catholic officials, to see if they could refute the charges against Father Pena. Meanwhile, Interior Minister Borge urged the Sandinist Defense Committees to increase their revolutionary vigilance, which permitted State Security to defeat the enemy plan in which the lawbreaking priest was involved.

Interior Minister Borge stressed the fact that Father Pena's case is being dealt with by the government in a serious and responsible way, through dialogue with the bishops and the Nunciature. However, depsite all of the evidence, the leaders of the Catholic Church, particularly Msgr Obando y Bravo, insist on denying the guilt of terrorist Luis Amado Pena, who was taking advantage of his status as a priest to participate in an internal counterrevolutionary front.

GARCIA: 'ATTITUDE' CAN SOLVE RAILROAD PROBLEMS

FL251504 Havana Domestic Service in Spanish 1000 GMT 25 Jun 84

[Text] Guillermo Garcia Frias, member of the Politburo and minister of transportation, has called for using attitude as the basic factor to solve the insufficiencies in the national railroads. Garcia Frias gave the concluding speech at provincial meeting of party members in Villa Clara. The Politburo member pointed out that linkages, bonus payments and other material factors will not solve existing problems because money does not fulfill all man's needs but rather, a duty fulfilled constitutes his tranquillity in socialism.

DEFENSE DAY MANEUVERS HELD IN HAVANA, MATANZAS

Military Skills Practiced

PA250224 Havana International Service in Spanish 0000 GMT 25 Jun 84

[Text] Today Civil Defense and Territorial Militia units took part in exercises and theory classes during the celebration of Defense Day in Havana. The students participated in target shooting, assembly drills, guidance training, and other activities held at the Society for Patriotic-Military Education target range. The Pioneers attended theory and practice classes. Defense Day will be held on one Sunday of every month to give our people the opportunity to train themselves still more to defend Cuba from an aggression.

First Aid Kits Prepared

FL251533 Havana Television Service in Spanish 1223 GMT 25 Jun 84

[Text] For the first time, Defense Day was held in Havana City Province. Starting very early Sunday morning, the inhabitants of the capital began to make preparations in the areas that might come under enemy attack. The members of the Federation of Cuban Women cooperated by preparing first aid kits and doing other work in the several zones. The Committees for the Defense of the Revolution also helped in the preparation for defensive measures. Once again, the people of Havana have demonstrated their will to defend this soil whatever the cost.

Matanzas Maneuvers

FL261650 Havana Domestic Service in Spanish 1405 GMT 26 Jun 84

[Text] Defense war maneuvers were held on Sunday in Zones 7 and 8 of Jaguey Grande, Matanzas Province in preparation against an imperialist attack in this part of Cuba.

During the maneuvers, attention was given to (?receiving) and providing care for families from Havana who were evacuated to southern Matanzas Province and the means of supplying food and medical attention using old-fashioned means of transportation.

Some of Jaguey Grande's Defense Day activities included preparing a propaganda and agitation center in one of the defense zones during war time, preparing shelters for civilians in case of enemy bomb attacks, and conducting attacks against enemy forward positions.

Jose Manuel Castillo, member of the party's provincial bureau in Matanzas, said at the end of the defense war exercises that another invasion, on the scale of Giron, could be crushed in less than 72 hours with the Jaguey Grande militia's own resources.

CARICOM SUMMIT TO FOCUS ON ECONOMIC ISSUES

WA271445 Rome IPS in English 27 Jun 84

[By Nills Campbell]

[Text] Georgetown, June 27 (IPS) -- Despite the strong political differences that developed within the Caribbean Community (Caricom) over last October's U.S.-led invasion of Grenada, economic concerns are expected to dominate the fifth summit of regional leaders set for Nassau, Bahamas July 4-7. According to officials of the Caricom Secretariat here, structural adjustment of regional economies and intra-regional trade are likely to be high on the agenda.

The Grenada issue, which almost split the 10-year-old grouping of former British colonies, "is likely to be placed as far into the cupboards as possible," one Secretariat source said.

Caricom went through a testing period in the wake of the invasion of the small eastern Caribbean island by troops from the United States and a token contingent of Caribbean security forces. The invasion followed a military coup in which Prime Minister Maurice Bishop and several senior cabinet colleagues were killed and the People's Revolutionary Government (PRG) deposed.

One of the regional leaders who strongly backed the move, Mary Eugenia Charles of Dominica, suggested that the Caricom Secretariat be removed from Guyana, whose government opposed the invasion. Jamaican Prime Minister Edward Seaga went so far as to suggest that a new integration body be established called Caricom 2, with Guyana excluded. Concern about the region's chronic economic woes and their effect on the integration process have forced such proposals into the background over the past few months, however.

At last year's Caricom summit, in Port of Spain, the Trinidad and Tobago capital, regional leaders mandated the Caribbean Development Bank (CDB) to carry out a study of structural adjustment of Caribbean economies. This study has been completed and will be studied in Nassau, Secretariat officials said.

In the interim, the idea of structural adjustment as an imperative economic policy objective of the 1980's has caught on. It received enthusiastic support at the last Caribbean Development Bank (CDB) meeting in Kingston recently which was attended by representatives from all Caricom territories.

The Secretariat said today matters related to regional trade and payments will also be considered at the summit. "These matters have closely engaged the attenting of the Common Market Council which met recently in Antigua and Barbuda and which will, at the Nassau meeting, continue its examination of possible areas for expansion of intra-regional trade, with a view to submitting appropriate proposals to the conference," the Secretariat announced.

Linked to the issue of trade is reactivation of the Caricom Multilateral Clearing Facility, a credit scheme suspended after its ceiling was reached.

Ways of increasing agricultural production and proposals for introducing a common arrangement for trade in fresh agricultural products and livestock will be raised in Nassau as well. So, too, will recommendations of a high-level committee appointed to examine the rationalization of services between regional shipping lines and the West Indies Shipping Corporation (Wisco). Leaders will also look at proposals for cooperation in functional areas among the various shipping lines. They will examine a draft inter-governmental agreement on cooperation in air transportation prepared by a high-level committee.

"As customary, the conference will exchange views on the international political situation and pay attention to questions relating to the security of small states," the Secretariat announced.

Regional leaders will also review progress towards a successor arrangement to Lome II, the treaty that links the European Economic Community with former colonies in Africa, the Caribbean, and Pacific.

The Caribbean Basin Initiative, a trade and aid scheme introduced for friendly regional states by the Reagan Administration, will also be discussed. Other agenda items include the widening of the community to include non-English speaking members, apartheid, and sport, and restructing of the regional University of the West Indies. (UWI).

JAMAICA

NORWEGIAN AID OFFICIAL ARRIVES FOR 4-DAY VISIT

FL271356 Kingston Domestic Service in English 0500 GMT 27 Jun 84

[Text] The Norwegian Director of Development-Cooperation Her Excellency Mrs (Ruden Kusletten) arrived in the island today for a 4-day visit. While here, she will visit a number of projects with which her country is involved, including Antillean food processors, the Caribbean Cement Company, and the [words indistinct] center. The director will also be guest speaker at the official opening of the new Maritime Trading Institute on Friday. She will also pay courtesy calls on local officials. Her excellency leaves the island on Saturday.

MILITARY, UNION 'TENSION' WITH CABINET DISCUSSED

PM271401 Rotterdam NRC HANDELSBLAD in Dutch 25 Jun 84 p 5

[ANP report: "Conflict in Suriname Surrounding Udenhout Cabinet"]

[Text] Paramaribo/The Hague, 25 Jun -- In Suriname, tension has arisen between the cabinet on the one hand and the military authorities and the trade union movement leadership on the other, well informed sources in Paramaribo report.

The problems are chiefly to do with the "summit" held regularly among the military authorities, trade union leadership, and employers' leaders, the three groups with representation in the cabinet. Prime Minister Udenhout also takes part in these summits.

The trade union leadership (especially the trade union confederation C-47) and the Army leadership want to institutionalize these summit meetings. These summits would give policy directives to the cabinet.

According to well informed sources in Paramaribo, the military authorities and the trade union movement consider the Udenhout cabinet to have too little energy and to have achieved little that is concrete. In this context, reference has been made to the major economic problems with which Suriname is wrestling and the "durable democratic structures" which the cabinet must create before the end of its term of office (31 December this year).

Prime Minister Udenhout has opposed institutionalizing the summit because the cabinet would lose some of its power to a kind of "supergovernment." Some ministers are said to be afraid of "tutelage." There is currently talk in Paramaribo of "serious differences in competence" between the cabinet and the three groups which are represented in it.

The rejection by the C-47 trade union confederation and to a lesser extent by the Moederbond union movement of the conditions the IMF is attaching to a loan of $100 million is said to have contributed to the tensions that have arisen around the cabinet. The Surinamese Government is said to consider this rejection premature.

The conditions made by the IMF include tax increases, the devaluation of the Surinamese guilder, and the suspension of the price decree and the decree relating to dismissals (which forbids the dismissal of employees without the approval of the authorities).

According to well informed sources in Paramaribo, it is too early -- despite the tensions -- to speculate about a cabinet crisis. The military in particular is said to want the Udenhout cabinet to remain in office because there are few alternatives to it.